

STATE OF MICHIGAN

IN THE CIRCUIT COURT FOR THE COUNTY OF WAYNE

CHRISTINE WILLIAMS, as Guardian and Conservator  
of GEORGE WILLIAMS, a Legally Incapacitated Adult,

Plaintiff,

vs.

Case No. 04-435505-NF  
Hon: Kathleen MacDonald

AUTO CLUB INSURANCE ASSOCIATION,

Defendants.

\_\_\_\_\_  
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\_\_\_\_\_

PLAINTIFF'S CASE EVALUATION SUMMARY

CASE EVALUATION DATE: MONDAY JUNE 12, 2006 @ 8:30 A.M.

### FACTS

On December 15, 1998, Plaintiff, George Williams, received a severe closed head injury, a gastrointestinal bleed, a fracture of his skull, a tearing of the left side of his head including his ear, a fracture of his pelvis, a fracture of his left hand, lacerations to the urethra and other injuries. From the time of the automobile accident to the present time, Mr. Williams has needed 24 hour attendant care and is also entitled to receive room and board benefits for which this Defendant has never paid.

In this case, Plaintiff has brought a claim under the Michigan No Fault Act and the no fault policy for attendant care and room and board benefits that are due and owing going back to the date of the accident, December 15, 1998. In addition, Plaintiff has brought claims based on fraud and violation of the Michigan Consumer Protection Act. Plaintiff's claim of fraud is based on a systemic and long standing pattern of deception, misinformation and out and out misrepresentation by the Defendant AAA in a systemic fashion to cheat and defraud brain damaged people such as the Plaintiff who had been catastrophically injured in automobile accidents.

The Defendant does not dispute the fact that Mr. Williams is in need of attendant care related to this accident. Defendant, AAA, and their own internal records clearly indicates the need for 24 hour care for the remainder of Mr. Williams' life. *(Please see Exhibit A).*

The Defendant's own adjuster notes clearly indicate on multiple occasions since this accident that Mr. Williams is in need of 24 hour care and will need 24 hour care "requires 24 hour and will for life."

That following his initial discharge from the hospital, Mr. Williams was cared for with 24 hour nursing by a service. Due to problems with the service, Mr. Williams' family took over his attendant care needs in August of 1999.

Defendant has failed to produce copies of the payment ledgers and records indicating the exact amounts being paid to the home health care agency, Staff Builders who was providing care to Mr. Williams' prior to August of 1999. However, based upon other records in the Defendant's file, it would appear that AAA was paying Staff Builders over \$15.00 per hour for attendant care benefits being provided to Mr. Williams. According to Defendant's own records, they admit to telling Plaintiff's family that they would only pay \$7.50 per hour even though the Defendant is aware that they were required to pay market rates to the family.

Mr. Williams and his family relied upon this representation of the Defendant to their detriment. Not until this litigation was filed, was the family aware that Mr. Williams was entitled to make a claim for market rates as well as reimbursement for room and board benefits, case management fees, guardianship fees and other no fault benefits that the Defendant intentionally misrepresented and/or failed through silent fraud to inform the family of.

According to a report prepared by Plaintiff's expert, Mr. Williams was in need of one hour per day of skilled care nursing with a market rate of \$40.00 per hour and that the home health aide market rate should have been \$18.00 per hour for southeast Michigan. Further, Mr. Williams' guardian performed the duties of a medical case manager with a market value of \$90.00 per hour which went unreimbursed. In fact, the Defendant never informed Mr. Williams that his guardian could be paid for performing the duties of a case manager. In

addition, the Plaintiff's expert indicates that his guardian should have been compensated at the rate of \$50.00 per hour for market rate for the responsibility of hiring attendant care outside of the family, training them, instructing them and following up on the supervisory needs. *(Please see Exhibit B).*

It is Plaintiff's position that Defendant, AAA, through its agents, servants, employees and assigns has created a system whereby fraud and misrepresentation is ingrained in the claims process. Whenever Defendant's employees are caught, it is the position of the Defendant that these employees simply made mistakes. This case has revealed systemic fraud on behalf of Defendant, AAA, from its adjusters all the way through upper levels of management in the Medical Management Unit.

Counsel for Plaintiff has been involved in numerous claims of this type and has deposed numerous individuals responsible for making decisions on claims such as the one brought by Mr. Williams. The testimony from these individuals is quite revealing as to the depths and breadth of the fraud committed by the Defendant AAA against its insureds for years.

Carol Tea Nini was an adjuster, nurse, and case manager for Defendant, AAA, until 1992. In her deposition, Ms. Nini testified that she was told by management not to volunteer information, that if the claimants figured it out on their own or went to a lawyer, then you would answer their questions honestly, but they were not to volunteer any information. *(Please see Exhibit C, Pg. 20 of Carol Tea Nini Deposition).*

Mrs. Nini further testified that her boss, Mr. McKenzie, told her and other claims specialists and nurses working with claims specialist, that they were not to automatically offer

benefits, they should wait until the claimant or the person made a claim for them. *(Please see Exhibit C, Pg. 19 of Carol Tea Nini Deposition).*

Mrs. Nini was asked whether she had ever raised any ethical concerns with anyone at AAA regarding this type of handling of claims benefits (by not telling the insureds what they were entitled to or how to make the claims) and she indicated that she had. She testified that at one time:

“When Mr. McKenzie was my manager’s manager and he had those meetings with us, when he told us that we were not to offer benefits but see if people requested them, to control costs, I remember really clearly raising my hand in that meeting and Mr. - and I told Mr. McKenzie that what he was asking us to do was not right. . . . Mr. McKenzie told me and the staff in that meeting that, pretty close to a quote, he said, we’re not talking about right and wrong, we’re talking about money, and you will do that.”

*(Please see Exhibit C, Pg. 36 of Carol Tea Nini Deposition).*

Mrs. Nini testified that Mr. McKenzie was the manager over John Eshnauer, who was the manager of the Medical Management Unit. *(Please see Exhibit C, Pg. 37 of Carol Tea Nini Deposition).*

Carol Benn, another AAA employee, who was one of four managers in the Medical Management Unit of AAA testified in her deposition that AAA was aware of the underpayment of benefits on claims such as Mr. Williams going back to as early as the 1970's. She testified that the Medical Management Unit sent teams out to every branch of AAA throughout the State to investigate these types of catastrophic claims to determine the exposure of AAA for underpayment for benefits. It was her testimony that this study began as a result of lawsuits being filed against AAA (as opposed to AAA intending to do the right thing). *(Please see Exhibit D, Pgs. 42, 43, 44 and 45 of Carol Benn Deposition).*

Carol Benn testified that after AAA became aware of these underpayments to catastrophically injured insureds going back to the 1970's, that she was not aware of any program developed by AAA to notify these people of the underpayments to them. *(Please see Exhibit D, Pg. 46 of Carol Benn Deposition).*

According to Ms. Benn, AAA wasn't so much concerned with past benefits as they were with future benefits and meeting future reserves. No attempt was ever made to inform the Williams' that they had been grossly underpaid and/or that room and board benefits had never been paid. According to Ms. Benn, what AAA was concerned with was correcting the reserve limit that was set on these files to reflect a potential exposure in the future and not necessarily to go back and to pay to the insureds all of the benefits that had been grossly underpaid for so many years. *(Please see Exhibit D, Pg. 52 of Carol Benn Deposition).*

Ms. Benn testified that there were "literally hundreds of these cases." *(Please see Exhibit D, Pg. 53 of Carol Benn Deposition).*

She also indicated that somebody (at AAA) recognized the possible future exposure of these old claims. *(Please see Exhibit D, Pg. 56 of Carol Benn Deposition).*

From the very beginning of this case, Defendant AAA, followed their usual game plan of fraud and deception and misled the Plaintiff and his family as to what benefits they were entitled to when it was clear to the Defendant that Mr. Williams was entitled to room and board as well as attendant care benefits. In fact, the Defendant is paying attendant care benefits to the Plaintiff through the present time and has only increased the rate of payment due to the filing of this litigation.

The deposition was taken of Cynthia Redpath. She is a reserve specialist with Defendant AAA. Her job duties include setting reserves for future payouts on AAA claims for catastrophically injured people like Mr. Williams. In 1997 or 1998, Ms. Redpath was informed by two of three managers of Medical Management Unit at AAA (the highest level of management for first party cases in the State of Michigan), that if she discovered underpayment or non-payment of benefits to an insured, she was not to inform the insureds of their entitlement to back pay for those losses. She testified that AAA had a policy of don't ask don't tell as it related to informing insureds of known under-payments or non-payments of benefits. Further, she testified in approximately 2001, the policy of don't ask don't tell was changed to "don't tell don't tell." In other words, she used to advise the adjuster of the under-payment and non-payment and suggest to the adjuster that they increase the payment on future benefits but never to discuss with the insured, entitlement to back benefits. The change in 2001 from management, told her to stop informing adjusters of a noticed under-payment or non-payment all together and that still, the insureds were not to be informed, thus, creating the "don't tell don't tell policy." *(Please see Exhibit E, Dep Transcript of Cynthia Redpath).*

Barbara Hinks is a claims adjusters who has handled catastrophic injury claims with the Defendant since 1981. Her deposition was taken January 27, 2006 on another AAA file handled by Plaintiff's counsel. Ms. Hinks testified that if a catastrophically injured plaintiff was entitled to make a room and board claim that she was handling, that she would not inform them of their entitlement to that benefit. She testified that she didn't know of the availability of the room and board benefit and that AAA had never informed her of the availability of that

benefit even though AAA was a defendant in Manley v DAIE, 127 Mich App 444 (1983). (*Exhibit F, Deposition Transcript of Barbara Hinks P51*). The Manley case was pending prior to 1983. The Michigan Supreme Court in Manley v DAIE, 425 Mich 140 (1986) upheld Plaintiff's entitlement to room and board benefit and the obligation of the insurance company to inform the insureds of their entitlement to those benefits and to pay them. Despite this knowledge, Barbara Hinks, a senior claims representative has testified under oath that AAA has never informed her, an adjuster handling catastrophic claims, to inform her insureds of entitlement to these benefits.

Ms. Hinks was also questioned with respect to AAA insured's relying on the representations of their claims adjuster. She testified repeatedly in her deposition that as claims adjusters, they are trained and taught by AAA to get their insureds to reasonably rely upon the representations. She indicated that she has never told an insured not to trust her or that they need to hire a lawyer after explaining their benefits to them. She further testified that with respect to insureds, she attempts to create a relationship with them of trust and confidence from the beginning. She testified that she does not tell them they need to get a lawyer to explain the benefits to them. She testified she has been taught by AAA to establish trust and confidence with insureds and their families. Not distrust of the company and hire a lawyer. Ms. Hinks further testified that she believe that because of that trusting relationship that is established by Defendant, AAA and its insureds, that AAA expects them to rely on everything that they are told about their benefits. Ms. Hinks was asked:

Q "You want them to rely on your representation of their entitlement to benefits or claims,



whether you're right or wrong, don't you? Is that a yes?

A Yes."

*(Please see Exhibit F, Deposition Transcript of Barbara Hinks, P.52, 53, 54, 55, 56, 57, 71, 72, 73, 74, 75).*

Numerous witnesses have been deposed from case adjusters to Medical Management Unit supervisors and directors. Patricia Robbins, an executive with the Medical Management Unit responsible for setting reserves on insurance files was deposed. Ms. Robbins testified that it was her duty to explain benefits to the insured and to make sure that she was paying the appropriate rate that AAA would take advantage of their insureds by failing to pay family members the same rate that an agency received. *(Please see Exhibit G, Deposition Transcript of Patricia Robbins, Pgs. 34 and 37).*

Sandra Pope's deposition was taken. She is one of two people currently in charge of the Medical Management Unit at AAA. She testified that she was aware and the company was aware that people will rely on AAA and its adjusters in telling them what benefits that they are entitled to. She testified that she believed that the expectation is to explain the benefits that they're (insureds) entitled to. She agreed that it would be reasonable to trust and rely upon the statements made by adjusters as to what benefits that they were entitled to. She further testified that AAA's adjusters, claims specialists and management would be aware that from year to year, the rates paid for attendant care benefits would be increased because of cost of living increases. *(Please see Exhibit H, Deposition Transcript of Sandra Pope, Pgs. 84, 85, 109 and 111).*

Carol Benn was also an executive claims representative supervisor with AAA and the

Medical Management Unit. She testified in her deposition, that family members are entitled to be paid what an agency charges as opposed to what an aide gets. She testified that this is evolved over time but that AAA now does pay what the agency rates are. She further testified that the adjusters call various agencies to find out what the agency rates are. *(Please see Exhibit I, Deposition Transcript of Carol Benn, P. 23 and 29).*

Ed Skrzycki an adjuster indicated in his deposition that it was his responsibility as the adjuster to make sure the insured knew what their rights were and for him to inform them of all of the claims and rights that they have. He further testified that AAA was responsible and obligated to pay for medical care being provided in the home and that the rates paid for that care would changed from time to time. It should be pointed that the Defendant admits that under the No Fault Act, it is the obligation of the adjuster and the company to pay all benefits that are reasonable at a reasonable rate. Mr. Skrzycki testified that it was the policy of AAA as well as himself to look out for the best interest of the insured to make sure that they were not under compensated or over compensated. Finally, Mr. Skrzycki testified that even if an insured were to submit claims that were under valued, it was the responsibility of the adjuster to pay at the reasonable market rate even if less was asked for by the insured. *(Please see Exhibit J, Deposition Transcript of Ed Skrzycki, Pgs. 30, 50, 52, 55, 56, 63, 64, 65 and 104).*

Elaine Kennedy another adjuster testified that she was aware that she had an obligation to inform AAA insured that was making a claim for benefits that their claim was under compensated if, in fact, they were claiming less than what the reasonable market rates would bear. *(Please see Exhibit K, Deposition Transcript of Elaine Kennedy, Pgs. 52 and 54).*

### LIABILITY

Liability against this Defendant is one hundred percent. This Defendant has carried out a systematic plan of fraud and deception against the most catastrophically injured insureds in the State of Michigan. Their own adjusters, supervisors and medical management unit supervisors admit to the plan and the deception. The Defendant has filed a Motion for Summary Disposition which has been denied. It is the same motion that they have filed on numerous other claims Plaintiff's counsel has handled against AAA. They have all been denied.

It is anticipated that Defendant will reference and rely upon the case Cameron v Auto Club, a Court of Appeals Decision which is currently pending before the Michigan Supreme Court. However, there is nothing in the Cameron v Auto Club case in the Court of Appeals or the Supreme Court that deals with the issues of fraud which Plaintiff has pled and which clearly get the Plaintiff to a jury on the issues of fraud.

### DAMAGES

From that this claim was presented, the Defendant continuously and systematically defrauded Mr. Williams by failing to inform his family of all of the benefits that they were entitled to. Defendants admit that the Plaintiff is entitled to receive attendant care, L.P.N. care and to be compensated for the clear market value of being the conservator and guardian as well as performing case management duties. The Defendant has paid only attendant care benefits at a despicably low rate.

This case truly exhibits the greed and fraud of an insurance company in an attempt to

defray legitimate costs of claims.

Plaintiff retained Rene LaPort whose report has been attached to provide a home attendant care evaluation. In addition to Ms. LaPort, Plaintiff has prescription from his doctors that indicate he is in need of 24 hour attendant care. The doctor prescriptions for 24 hour attendant care together with the adjusters own notes indicating the need for 24 hour attendant care clearly support the catastrophic nature of Mr. Williams' claim. Despite this, the Defendant refused as per its fraudulent plan, to inform the insured and/or his family of the benefits that he was entitled to.

This Defendant has never informed Mr. Williams or his family, that they were entitled to be compensated for attendant care at the fair market value. Defendant simply and unilaterally informed Mr. Williams' niece that they would pay \$7.50 per hour for attendant care and no more. Not knowing any better and trusting the insurance company, Ms. Williams relied on that representation and accepted the \$7.50 per hour.

The report compiled by Ms. LaPort, Plaintiff's attendant care expert, clearly shows that in 1999, when Mr. Williams begin receiving 24 hour attendant care from his niece, the fair market value for attendant care services, was \$15.00 per hour. From the year 2000 to the present, the fair market value of that attendant care is at least \$18.00 per hour.

This Defendant has consistently underpaid the value of these benefits.

### **DAMAGES**

From 1999 to the present, Mr. Williams has been in need of 24 hour attendant care. Plaintiff has been able to calculate attendant care rates paid by the Defendant to the Plaintiff.

From 1999 to March of 2001, Defendant paid \$7.50 per hour for a \$7.50 per hour shortfall. From April of 2001 to January of 2002, the Defendant paid \$9.00 per hour for a \$9.00 per hour shortfall. From January of 2002 to February 2003, the Defendant paid \$9.50 per hour for an \$8.50 per hour shortfall. From February of 2003 to March of 2004, the Defendant paid \$10.00 per hour for an \$8.00 per hour shortfall. From March 24, 2004 to the present, the Defendant has paid \$10.50 per hour for a \$7.50 per hour shortfall.

Further, the Defendant has failed to pay shift premiums, including overtime pay and weekend pay at time and a half. They never even offered this information to Mr. Williams or his family. Plaintiff's counsel has testimony from numerous adjusters at AAA indicating that they in fact pay shift premiums for weekend, holiday and overtime work.

Plaintiff has given Defendant credit for the payments at \$7.50 per hour to \$10.50 per hour from the beginning of this case. However, given the shortfalls in the underpayment of benefits that were not paid at the reasonable market rates, Defendant owes Mr. Williams \$719,880.00 in unpaid attendant care. In addition to the unpaid attendant care, the Defendant owes Mr. Williams for unpaid licensed practical nursing care that Defendant does not and cannot dispute was provided at a reasonable market rate of \$40.00 per hour, one hour per day. That totals \$14,600.00 per year for a total \$102,200.00 from the time of this accident to the present that Defendant failed to inform Mr. Williams he was entitled to receive compensation for. In addition to the attendant care and the LPN care, the Defendant owes for guardianship and conservator activities performed on behalf of Mr. Williams as a result of injuries he sustained in this accident. The guardian and conservatorship fees for the last seven years total

\$28,980.00 for guardianship fees and \$28,980.00 for conservatorship fees. In addition, the Defendant failed to inform Mr. Williams or his family that they were entitled to have a case manager of their own choosing to handle activities such as setting up and scheduling doctor appointments, arranging transportation, communicating with the doctors and the insurance company, taking care of billings with the insurance company, etc. The case management fees that the Defendant customarily pays are \$90.00 per hour. The Defendant has failed to pay 251½ hours of case management per year for the last seven years for a total of \$158,445.00 in unpaid case management fees.

In addition to the underpayment, Plaintiff, Mr. Williams, is entitled pursuant to statute to receive twelve percent simple penalty interest for failure to pay these claims under the no fault act plus five percent statutory contract interest rate for a total 17% interest calculated on a simple basis from 1999 to the present. Giving the Defendant credit for the amounts that were paid, Plaintiff has calculated interested in the amount \$486,727.68 which is a very conservative estimate.

Plaintiff also entitled to a one-third attorney fee.

Unpaid Attendant care .....	\$ 719,880.00
Licensed Practical Nursing care .....	\$ 102,200.00
Guardianship fees .....	\$ 28,980.00
Conservatorship fees .....	\$ 28,980.00
Case management fees are .....	\$ <u>158,445.00</u>
.....	\$1,038,485.00
Interest .....	\$ <u>486,727.68</u>
.....	\$1,525,212.60
1/3 Attorney Fee .....	\$ <u>508,404.20</u>
Total .....	\$2,033,616.80

**CASE EVALUATION DEMAND**

Plaintiff would demand a case evaluation award in the amount of \$2,033.616.80.

Respectfully submitted,

**THOMAS, GARVEY, GARVEY & SCIOTTI**

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**JAMES McKENNA (P41587)**

Attorney for Plaintiff

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586-779-7810

Dated: June 8, 2006

MESSAGE:

DIRE-IJM INJURY MEMO INFORMATION 01/07/05 14:22:09  
CLAIM NO: DT 147255-A CLID: 01 PAGE: 006 TOTAL CLIDS: 01 DOL: 12 15 98  
INJ NAME: GEORGE WILLIAMS  
LAKELAND NEURO ON THAT DATE AND ASKED DIANE TO GET A CARE CONFERENCE WITH  
THE FAMILY SET UP AND AS IT TURNS OUT THERE WAS A MEETING SET FOR  
2-4-99 AT LAKELAND AT 11:30 A.M. I WILL ATTEND AND DO THE 1ST CONTACT  
WITH THE FAMILY AND ALSO GET THE INFORMATION AS TO THE PROGNOSIS FOR  
GEORGE.

O.O.P. HAS BEEN INVESTIGATED BY CIU AND HAS BEEN APPROVED THAT WE OWE  
FOR GEORGE'S PIP CASE. I SEE NO OTHER PIP CLAIMS UNDER THE CHIS. PR WAS  
ORDERED AND AFB SENT.

I HAVE CALLED THE GREATNIECE, CHRISTINE PARISH SHE WAS VERY PLEASANT  
AND VERY BUSY AS SHE HAS NOW HAD TO MOVE IN TO GEORGE'S HOME AND HELP CARE  
FOR GEORGE'S SISTER WHO GEORGE LIVED WITH IN DETROIT. I HAVE EXPLAINED  
CMB MEDICAL, E/S, MILEAGE AND HOME HEALTH CARE AS WELL AS OUR COST  
CONTAINMENT PROGRAM AND ADVISED OF MY ROLE IN THIS CASE AS WELL AS VICKI  
SERWICKS AND EXPLAINED WE WILL MEET IN PERSON ON 2-4-99 AND TALK MORE. I  
DID TELL CHRISTINE THAT AAA WILL PAY FOR THE LAUNDRY THAT HAS TO BE DONE  
FOR GEORGE WHILE HE IS IN LAKELAND. CHRISTINE REPORT GEORGE WAS IN GREAT

TOTAL PAGES: 091 NEXT PAGE:  
WLES: APAC: CHK REQ: DLY DRY: DIARY:  
MENU: CLAIM NO: CLID NO: VEH NO: PRICE: PRES. ACT: INT RES:

00006



MESSAGE:

DIRE-IJM INJURY MEMO INFORMATION 01/07/05 14:22:12  
CLAIM NO: DT 147255-A CLID: 01 PAGE: 008 TOTAL CLIDS: 01 DOL: 12 15 98  
INJ NAME: GEORGE WILLIAMS  
HOSPITAL AND THEN TO RIM AND THEN TO LAKELAND WHERE I BELIEVE HE HAS  
BEEN NOW FOR OVER A WEEK.

GEORGE COMPLETED HIGH SCHOOL AND ATTENDED SOME COLLEGE CLASSES, HE WAS  
APPARENTLY IN THE ARMED FORCES BUT HE HAS NO REAL WORK HISTORY. CHRISTINE  
COULD NOT TELL US OF A WORK HISTORY, HE HAS NO DRIVERS LICENSE AND WAS  
NOT ON MEDICAID OR MEDICARE. ANGELA AT LAKELAND WILL ASSIST CHRISTINE  
WITH FILING FOR SSD AND MEDICAID FOR GEORGE.

GEORGE SISTER, OUR INSURED IS CHRISTINE'S GRANDMOTHER AND SO NOW CHRISTINE  
MOM HAS MOVED IN WITH SARAH AND SHE IS HAVING TO CARE FOR HER AND THEN THEY  
WILL BOTH HELP TO CARE FOR GEORGE WHEN HE CAN COME HOME.

GEORGE SUSTAINED A TBI, GI BLEED, SKULL FX, LEFT TEAR OF THE HEAD AND EAR,  
FX PELVIS, FX LEFT HAND AND A LACERATION TO THE URETHRA, DUE TO THIS  
TEAR GEORGE HAS A SUPRA PUBIC CATH, THE UROLOGIST IS HOPEFUL THAT HE WILL  
BE ABLE TO GET THE URETHRA OPEN AGAIN SO THAT GEORGE CAN HAVE NORMAL  
BLADDER CONTINANCE, GEORGE IS PRETTY MUCH BOWEL CONTINENT BUT HAS HAD  
A COUPLE ACCIDENTS.

TOTAL PAGES: 091 NEXT PAGE:

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MENU: CLAIM NO: CLID NO: VEH NO: ICE: RES ACT: INT RES:

00008

MESSAGE:

DIRE-IJM INJURY MEMO INFORMATION 01/07/05 14:22:13  
CLAIM NO: DT 147255-A CLID: 01 PAGE: 009 TOTAL CLIDS: 01 DOL: 12 15 98  
INJ NAME: GEORGE WILLIAMS

GEORGE LIVES IN HIS SISTERS HOME WHICH IS A COLONIAL HOME, ALL FOUR BEDROOMS ARE UP WITH THE FULL BATHROOM AND THE MAIN FLOOR HAS A KITCHEN, 1/2 BATH, LIVING ROOM AND THE DINING ROOM HAS JUST BEEN MADE IN TO SARAH'S ROOM AS SHE IS AILING. LUCKILY GEORGE IS NOW DOING STAIRS, HE IS AMBULATING 200' BUT ALL OF THIS IS WITH ASSISTANCE AND SUPERVISION. THERE IS A COUPLE OF STAIRS IN TO THE HOME AND THERE IS NO RAILINGL

THE O.T. WILL BE GOING OUT SOON FOR AN ASSESSMENT AND VICKI AND I ASKED TO ME NOTIFIED OF SAME SO WE CAN GO OUT IF POSSIBLE. THERE WILL LIKELY BE SOME MINOR HOME MODS AND EQUIPMENT THAT WILL BE NECESSARY. DR. DOBLE DID TELL CHRISTINE THAT GEORGE ORIGINAL BED WILL BE FINE.

GEORGE IS ON BACTRIM DUE TO THE URETHRA INJURY.

GEORGE INTEREST INCLUDED READING AND ANYTHING TO DO WITH CARS.

GEORGE DID SUSTAIN A MODERATE TBI AND HE IS CONFUSED, HE HAS A LACK OF INSIGHT IN TO HIS DEFICITS, HE IS WALKING BUT ONLY IN THERAPY WITH THE AIDS BUT THAT IS DUE TO SAFETY ISSUE'S AND GEORGE IMPULSIVITY. THE THERAPISTS ARE WORKING ON COGNITIVE STRATEGIES WITH GEORGE...GEORGE REQUIRES

TOTAL PAGES: 091 NEXT PAGE:  
WLES: APAC: CHK REQ: DLY DRY: DIARY:  
MENU: CLAIM NO: CLID NO: VEH NO: ICE: RES ACT: INT RES:

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DIRE-IJM

INJURY MEMO INFORMATION

01/07/05 14:22:15

CLAIM NO: DT 147255-A CLID: 01 PAGE: 010 TOTAL CLIDS: 01 DOL: 12 15 98

INJ NAME: GEORGE WILLIAMS

ASSISTANCE, SUPERVISION AND CUEING. GEORGE IS PHYSICALLY ABLE TO DRESS HIMSELF BUT COGNITIVELY HE NEEDS CUEING AND ASSISTANCE DUE TO CONFUSION. FOR LONG DISTANCE GEORGE WILL REQUIRE THE WHEELCHAIR FOR SOME TIME.

ONCE THE O.T. HAS COMPLETED THE EVAL AND THE MODS OR EQUIP ARE IN PLACE GEORGE WILL GO HOME WITH 24 HOUR CARE, WE HAVE ASKED THAT LAKELAND NEURO ASSIST WITH PLACEMENT, WE HAVE SUPPLIED SEVERAL NAMES OF AGENCIES. WE HAVE DIRECTED DIANE TO UTILIZE BINSONS FOR ALL MEDS AND EQUIPMENT. ALSO WE HAVE SUGGESTED THAT TRANSPORTATION BE SET UP BEFORE DISCHARGE. DR. DOBLE WILL CONTINUE TO FOLLOW GEORGE AND VICKI SERWICK AND I WILL WORK WITH GEORGE AND HIS FAMILY AND LAKELAND FOR DISCHARGE PLANS.

CHRISTINE DID SEND NATALIE THE AFB, I HOLD FOR SAME, THERE IS NO W/LOSS.

I HAVE EXPLAINED E/S, MILEAGE, TRANSPORTATION, CMB MEDICAL, ATTENDENT CARE AND OUR COST CONTAINMENT PROGRAM. CIB WAS DONE. FILE IS ON DIARY FOR 3-2-99. SUE HICKS/MMU 1-248-848-4921\*\*\*\*\*

2/9/99 MY FIRST CONTACT MEMO IS IN THE FILE. SEE ABOVE FOR THE MEETING WITH DR.DOBLE. THE EST LENGTH OF STAY IS 2 WEEKS. HE WILL GO HOME WITH 24 HOUR

TOTAL PAGES: 091. NEXT PAGE:

WLES: APAC: CHK REQ: DLY DRY: DIARY:  
MENU: CLAIM NO: CLID NO: VEH NO: ICE: RES. ACT: INT RES:

MESSAGE:

DIRE-IJM INJURY MEMO INFORMATION 01/07/05 14:22:16  
CLAIM NO: DT 147255-A CLID: 01 PAGE: 011 TOTAL CLIDS: 01 DOL: 12 15 98  
INJ NAME: GEORGE WILLIAMS

NURSING AGENCY CARE. HE WILL REQUIRE THE SERVICES OF A CRN TO INITIATE A  
BLADDER PROGRAM AFTER THE SUPER-PUBIC CATH IS OUT. IT HAS NOT BEEN DETERMINED  
IF A HOME THERAPY OR OUT-PT BASED FACILITY HAS BEEN DETERMINED FOR DISCHARGE.  
LAKELAND WILL DO A HOME EVALUATION AND WE ASKED TO BE NOTIFIED WHEN THAT WAS  
SCHEDULED. HE IS ON NO MEDS EXCEPT ANTIBIOTICS BY THE UROLOGIST. V.SERWICK RN  
02/15/99..CK #2 APPEARS ON MM CHECK REGISTER. CK IS FOR MEDICAL TRANSP. THIS  
IS SECOND CK ISSUED OFF OF FILE AND IS NOT A DUP. NOT REQUIRED TO  
GO TO REVIEW WORKS AND PAPERWORK IS IN FILE. THIS IS A CMB POLICY  
WITH BC/BS AS THE PRIMARY CARRIER - THIS SERVICE (TRANSP) IS NOT A  
BENEFIT OF THE HEALTH POLICY. BILL REC'D 2/5/99 AND PAID 2/8/99 -  
NO INTEREST IS DUE. J.R.BERKEBILE, MMU CK ENTERED BY MARILYN  
EAHROW FOR CLM SPEC., SUE HICKS AND MEMO LINE OF CK REQ IS SO NOTED.  
J.R.BERKEBILE, MMU

\*\*\*2-16-99 CORRECTION TO ABOVE MEMO, OUR INSURED HAS MEDICARE, NOT BC/BS  
AND SO AAA IS PRIMARY. UNDERWRITING NOTIFIED. THE O.T. FROM LAKELAND

TOTAL PAGES: 091 NEXT PAGE:  
WLES: APAC: CHK REQ: DLY DRY: MEDIARY:  
MENU: CLAIM NO: CLID NO: VEH NO: ICE: RES ACT: INT RES:

00011

MESSAGE:

DIRE-IJM INJURY MEMO INFORMATION 01/07/05 14:22:36  
CLAIM NO: DT 147255-A CLID: 01 PAGE: 014 TOTAL CLIDS: 01 DOL: 12 15 98  
INJ NAME: GEORGE WILLIAMS

DISCHARGE DATE IS 3-5-99, THE MINOR MODIFICATIONS THAT ARE REQUIRED AT GEORGE HOME INCLUDING SEVERAL RAILINGS INSIDE AND OUT, A REPAIR TO THE FRONT OUTDOOR STEP, A TOILET SUPPORT BAR, A SHOWER CHAIR WITH BACK, A HAND HELD SHOWER HEAD, ETC. SPECTRAMED WILL DO ALL WORK AND SAME WILL BE DONE BEFORE GEORGE GOES HOME.

GEORGE IS DOING VERY WELL, THE NEURO PSYCHOLOGIST REPORTS THE TEAM IS A LITTLE CONCERNED ABOUT THE COMPETENCY OF GEORGE, THEY HAVE HAD A LOT OF MIXED FEELING ABOUT HOW GEORGE IS THINKING SO THE NEURO PSYCHOLOGIST WILL BE DOING A BRIEF ASSESSMENT ON GEORGE TO SEE WHAT IT SHOWS. APPARENTLY GEORGE HAS GOOD TIMES WHEN HE IS VERY CLEAR AND MAKING SENSE AND OTHERS WHEN HE IS VERY CONFUSED, OF COURSE THERE IS THE FACTOR OF GEORGE AGE TO KEEP IN MIND. AT THIS TIME GEORGE IS STILL HIS OWN GUARDIAN.

ONCE GEORGE GOES HOME THERE WILL BE HOME O.T. P.T. AND SPEECH PROVIDED BY STAFF BUILDERS AND THEY WILL KEEP IN TOUCH WITH MYSELF AND OF COURSE DR. DOBLE AS TO GEORGE PROGRESS. THE DISCHARGE PLAN WILL INCLUDE 24/7 HOME HEALTH CARE AND OF COURSE THERE IS ALWAYS THE HOPE SAME CAN EVENTUALLY

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DIRE-IJM INJURY MEMO INFORMATION 01/07/05 14:22:38  
CLAIM NO: DT 147255-A CLID: 01 PAGE: 015 TOTAL CLIDS: 01 DOL: 12 15 98  
INJ NAME: GEORGE WILLIAMS  
BE REDUCED BUT WE DON'T KNOW. DR. DOBLE WILL SEE GEORGE 3 WEEKS AFTER  
HIS DISCHARGE.

GEORGE WILL REQUIRE HIS WHEELCHAIR FOR LONG DISTANCE IN THE COMMUNITY,  
HE IS DOING STAIRS WITH RAILINGS AND AIDS, HE NORMALLY IS NOT USING AN  
ASSISTIVE DEVICE TO WALK AROUND LAKELAND AND SHOULD NOT NEED ONE IN HIS  
HOME.

THERE ARE MEMORY ISSUE'S NOT SEVERE, BUT AGAIN DR. CZARNOTA IS NOT CLEAR  
ON WHAT IS POSSIBLY RELATED TO HIS AGE AND WHAT THE TBI. GEORGE DID SUSTAIN  
A SIGNIFICANT TBI.

THERE ARE NO MEDS OTHER THAN THE MED THAT GEORGE IS TAKING FOR HIS  
FACIAL CELLULITIS WHICH IS BEING RELATED TO THIS LOSS.

THERE DO NOT APPEAR TO BE ANY OTHER MEDICAL PROBLEMS AND I WILL CONTINUE  
TO FOLLOW WITH MR. WILLIAMS AND HIS GRAND NIECE CHRISTINE PARISH AS WELL  
AS DR. DOBLE AND STAFF BUILDERS. SUE HICKS/MMU-1-248-848-4921\*\*\*

\*\*\*3-3-99 I HAVE REVIEWED FILE TODAY, GEORGE IS DOING GOOD, I WAS ABLE TO  
MEET HIM AND THEN VISIT WITH HIS GREAT NIECE AGAIN AT LAKELAND ON 2-24-99

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DIRE-IJM INJURY MEMO INFORMATION 01/07/05 14:22:40  
CLAIM NO: DT 147255-A CLID: 01 PAGE: 016 TOTAL CLIDS: 01 DOL: 12 15 98  
INJ NAME: GEORGE WILLIAMS

AT LAKE LAND NEURO. GEORGE IS HOPING TO GO HOME ON 3-5-99, WE ARE NOT CERTAIN THAT ALL NECESSARY MINOR HOME MODS WILL BE DONE BY THEN BUT THEY ARE BEING WORKED ON THROUGH SPECTRA MED AND A BUILDER THEY ASKED TO DO THE WORK. I SPOKE TO THE BUILDER TOM AT 1-248-340-0777 THIS A.M. AND HE IS WORKING ON GETTING ME THE ESTIMATE, I TOLD HIM I NEED THE MODS DONE ASAP AND THAT I GIVE HIM THE AUTHORIZATION TO DO SAME JUST GET ME THE ESTIMATE.

GEORGE WILL BE RECEIVING HOME HEALTH CARE BY STAFF BUILDERS PERSONAL AS WELL AS SOME IN HOME THERAPIES, THE HOME HEALTH CARE IS AT 24 HOURS 7 DAYS PER WEEK AT DISCHARGE AND SAME WILL BE ADDRESSED AGAIN IN A MINIMUM OF 3 WEEKS AFTER DISCHARGE AS THAT IS WHEN GEORGE WILL RETURN TO SEE DR. DOBLE, I WILL TRY TO ATTEND THE DOCTORS APPT BUT I DID LET STAFF BUILDERS KNOW THAT WE WOULD LIKE THERE AIDS TO ATTEND THE APPTS AND FOR THE INTERNAL CASE MANAGER OR NURSE CASE MANAGER TO CONTACT ME AT LEAST ONCE A MONTH WITH A STATUS ON THE CASE, I FIND IT IMPORTANT IN THESE CASES TO HEAR FROM THE HOME HEALTH AGENCY REGULARLY.

FILE WAS UPDATED ON 2-24-99 PAGE 13 AFTER OF D/C MEETING AT LAKE LAND..

WLES: X APAC:CHK REQ: TOTAL PAGES: 091 NEXT PAGE:  
MENU: CLAIM NO: CLID NO: VEH NO: DLY DRY: DIARY:  
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DIRE-IJM

INJURY MEMO INFORMATION

01/07/05 14:22:42

CLAIM NO: DT 147255-A CLID: 01 PAGE: 017 TOTAL CLIDS: 01 DOL: 12 15 98

INJ NAME: GEORGE WILLIAMS

FOR NOW I WAIT FOR GEORGE TO GO HOME AND CONFIRM THE AGENCY IS IN DOING THERE JOB AND ALL BUGS WORKED OUT, WE WILL EXPECT THE INHOME THERAPY FOR A SHORT TIME. THERE IS NO W/LOSS ON THIS CASE AND THE HOME HEALTH AIDS WILL BE DOING AN E/S THAT GEORGE WOULD HAVE BEEN EXPECTED TO DO FOR HIMSELF IN HIS SISTERS HOME.

CIB, MCCA AND MRR ARE FINE. AFB IN FILE, WE STILL HOLD FOR THE PR TO BE RECEIVED BY DOWNTOWN AND FORWARDED ON, THERE ARE NO VEHICLE PHOTO AS GEORGE WAS A PEDESTRIAN. WE ARE PRIMARY FOR ALL ACCIDENT RELATED R & C MEDICAL BILLS. FILE BEING REDIARED FOR 4-23-99. SUE HICKS/MMU

1-248-848-4921\*\*\*

\*\*\*\*3-5-99 RECEIVED A CALL FROM DIANE AT LAKE LAND NEURO. GEORGE WILL BE GOING HOME TODAY, THE HOME MODS ARE NOT COMPLETE YET AND WILL BE NEXT WEEK BUT AS HE IS ON 24/7 HOME CARE HE WILL BE SAFE FOR NOW. SUE HICKS/MMU

1-248-848-4921\*\*\*\*

03-08-99 RECD A CALL FROM DR IAN JAKSON'S OFFICE. GEORGE IS THERE NOW FOR AN APPOINTMENT FOR FACIAL INFECTION FROM AUTO ACC. I CONFIRMED COVG. AB / DUTY

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DIRE-IJM INJURY MEMO INFORMATION 01/07/05 14:23:01  
CLAIM NO: DT 147255-A CLID: 01 PAGE: 025 TOTAL CLIDS: 01 DOL: 12 15 98  
INJ NAME: GEORGE WILLIAMS  
AND NOW GEORGE. THE ARE THINKING ABOUT PLACEMENT FOR GEORGE IN THE LAKELAND  
HOUSE.

GEORGE WAS DISCHARGED FROM BEAUMONT WITH MRSA AND SO HE IS ON I.V. .  
ANTI BIOTIC TREATMENT AND IS IN SOME WHAT ISOLATION, AGAIN THE REASON HE  
IS BETTER OFF AT THE S.A.L.T. UNIT FOR A FEW DAYS.

I HAVE SPOKE TO GEORGE GREAT NIECE A FEW TIMES OVER THE PAST COUPLE  
OF DAYS, AT FIRST SHE AND HER MOM WERE TOTALLY FINE WITH GROUP HOME  
PLACEMENT BUT AS OF YESTERDAY SHE REPORTS GEORGE CALLED HER BEGGING TO  
COME HOME AND PROMISING TO DO GOOD. I AGAIN EXPLAINED TO CHRISTINE THAT  
WITH THIS TBI, GEORGE HAS A MUCH HARDER TIME EXPRESSING HIMSELF, THUS SOME  
OF THE AGGITATION AND ANGER, HE NEEDS TO BE LESS CONFINED IN HIS LIVING  
ENVIRONMENT AND HE NEEDS PROPER NUTRITION, PLUS I DID NOT KNOW ABOUT THIS  
MRSA INFECTION. CHRISTINE IS NOW SAYING SHE MIGHT LET GEORGE STAY AT  
LAKELAND ONLY FOR A SHORT TIME, SEE HOW HE DOES BUT THEN GET HIM BACK HOME  
AND SHE WILL HIRE HER OWN STAFF OF AIDS TO PROVIDE THE 24/7 HOME HEALTH CARE.  
I ADVISED CHRISTINE THAT WE WILL SEE HOW GEORGE DOES AT LAKELAND, HOW HAPPY

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DIRE-IJM INJURY MEMO INFORMATION 01/07/05 14:23:06  
CLAIM NO: DT 147255-A CLID: 01 PAGE: 027 TOTAL CLIDS: 01 DOL: 12 15 98  
INJ NAME: GEORGE WILLIAMS  
AT THE ONSET. FILE BEING REDIARED FOR 6-4-99. SUE HICKS/MMU 1-248-848-4921\*\*  
\*\*\*\*5-3-99 I HAVE RECEIVED A CALL FROM DIANE OVER AT LAKELAND AND GEORGE  
HAS BEEN AT LAKELAND NEURO IN THE S.A.L.T. UNIT AND WILL BE MOVED TO  
THE LAKELAND HOUSE TODAY. SUE HICKS/MMU 1-248-848-4921\*\*\*\*  
\*\*\*\*6-2-99 I HAVE SPOKE TO CHRISTINE PARRISH TODAY, SHE REPORTS GEORGE  
IS DOING VERY GOOD, HE IS HAPPY BUT HE WANTS TO GO HOME, SHE REPORTS THAT  
IS ALL HE SAYS IS "I WANT TO COME HOME" DR. DOBLE HAS SUGGESTED A PASS  
FOR THIS COMING UP WEEKEND AND THEN THEY WILL TALK ABOUT DISCHARGE. CHRISTINE  
HAS HIRED THREE HOME HEALTH AIDS THAT AAA CAN PAY DIRECT AND THEY WILL  
PROVIDE ALL CARE TO GEORGE, SHE WANTS HIM HOME AND SAYS HE WILL BE HAPPY  
THERE AND THE AIDS WILL BE ABLE TO PROVIDE THE APPROPRIATE CARE AND OUT  
TRIPS FOR HIM. I HAVE ASKED AGAIN FOR CHRISTINE TO GET THE ME THE NAMES,  
ADDRESSES AND SS NUMBERS FOR THE CARE GIVERS AS WELL AS THERE EXACT NUMBER  
OF HOURS THEY WILL WORK EACH WEEK, I EXPLAINED WE PAY \$7.50 PER HOUR.  
CHRISTINE WILL PROVIDE ALL HOME HEALTH CARE THIS WEEKEND FOR THE HOME  
VISIT AND SHE WILL SUBMIT HER HOURS TO ME. I HAVE PHONED JUDY CRIMANDO

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DIRE-IJM

INJURY MEMO INFORMATION

01/07/05 14:23:12

CLAIM NO: DT 147255-A CLID: 01 PAGE: 030 TOTAL CLIDS: 01 DOL: 12 15 98

INJ NAME: GEORGE WILLIAMS

(CONT) SUE HICKS/MMU 1-248-848-4921\*\*\*\*\*

6-4-99, 3 CKS DEPOSITED FOR WRONG PAYEE, FROM CK RQST #;S 14, 30,35.

CK #005039288 FOR \$24.28; CK #005074540 FOR \$1.02; CK #005089700 FOR\$1.71

SEE PG 28 MEMO SCREEN. SJA/MMU

6/7/99..MM ETR, CHECK #42. SEE ABOVE MEMO. NOT A DP AND INTEREST PAID.

CBENN

06/17/99..FILE APPEARS ON DIET TAB. RE: WORK LOSS RESERVE SET MORE THAN 90  
DAYS AGO AND NO PAYMENTS MADE. REVIEWED CPS MEMO PG 10 WHICH IN-  
DICATES NO WORK LOSS CLAIM....IF THIS INFORMATION IS CORRECT AND  
UNCHANGED PLEASE CLOSE THIS RESERVE. J.R.BERKEBILE, MMU

\*\*\*\*6-21-99 IN RESPONSE TO THE ABOVE MEMO FROM MR. BERKEBILE THERE WILL BE  
NO W/LOSS CLAIM AND AS OUR INSURED HAS BEEN RESIDING IN LAKE LAND NEURO  
AND IF HE DOES LEAVE THERE HE RETURNS TO HIS SISTERS HOME WITH 24 HOUR  
HOME HEALTH CARE THERE WILL BE NO E/S SO I WILL CLOSE THE 10-10 RESERVE  
TODAY. SUE HICKS/MMU 1-248-848-4921\*\*\*\*\*

\*\*\*7-19-99 I HAVE REVIEWED FILE TODAY FOR DIARY. GEORGE IS DOING VERY

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DIRE-IJM INJURY MEMO INFORMATION 01/07/05 14:23:14  
CLAIM NO: DT 147255-A CLID: 01 PAGE: 032 TOTAL CLIDS: 01 DOL: 12 15 98  
INJ NAME: GEORGE WILLIAMS

EVERY TIME SHE TALKS TO HER UNCLE HE BEGS TO COME HOME, SHE HAS DISCUSSED WITH ME FINDING HOME HEALTH AIDS ON HER OWN TO CARE FOR GEORGE AND BRINGING HIM BACK HOME BUT FOR NOW ALL IS STABLE.

I KEEP IN TOUCH WITH CHRISTINE AND THE LAKELAND HOUSE AND IF WITHIN THE NEXT 60 DAYS ALL REMAINS THE SAME AND GEORGE REMAINS LIVING IN THE GROUP HOME I WILL RETURN THIS FILE TO THE BRANCH. WE DO PAY CHRISTINE TO TAKE GEORGE HOME FOR VISITS, AS HE REQUIRES 24/7 HOME HEALTH CARE WE PAY HER \$7.50 PER HOUR FOR THE TIME SHE IS SUPERVISING GEORGE ON THE HOME VISITS, HE WAS LAST HOME OVER THE 4TH OF JULY HOLIDAY.

THERE IS NO W/LOSS OR E/S ON THIS CLAIM. CIB, MCCA AND MRR ARE FINE. PR AND AFB IN FILE. GEORGE WAS A PEDESTRIAN WHEN STRUCK. CHIS WAS CHECKED INITIALLY. FILE BEING REDIARED FOR 9-9-99. SUE HICKS/MMU 1-248-848-4921\*\*\* 07/22/99...REVIEWED CK NO'S 53, 55 & 58 ON MM CHECK REGISTER. ALSO REVIEWED FILE ON DIARY THIS DATE. FILE IS CURRENT...CLM SPEC MEMO DATED 7/19/99 IS NOTED. COMPLIANCE REVIEW ALSO CONDUCTED - NO PENALTY INTEREST IS OWING. J.R.BERKEBILE,MMU.

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DIRE - IJM

INJURY MEMO INFORMATION

01/07/05 14:23:17

CLAIM NO: DT 147255-A CLID: 01 PAGE: 034 TOTAL CLIDS: 01 DOL: 12 15 98

INJ NAME : GEORGE WILLIAMS

\*\*\*8-9-99 ALTHOUGH I HAVE NOT HEARD FROM CHRISTINE PARRISH YET, LAKELAND REPORTS THAT A CAREGIVER FOR GEORGE DID PICK HIM UP TODAY FROM HIS GROUP HOME, HE DID NOT WANT TO GO WITH THIS PERSON BUT THEY HAD CHRISTINE FAX A LETTER OF PERMISSION TO LAKELAND AND SHE DID FAX A LETTER.

SUE HICKS/MMU 1-248-848-4921\*\*\*\*\*

\*\*\*\*\*8-10-99 I HAVE SPOKE TO CHRISTINE PARRISH THIS A.M. GEORGE IS HOME FOR GOOD AS OF YESTERDAY A.M. CHRISTINE HAS HIRED CARE GIVERS AND SHE AND HER MOM WILL ALSO BE PROVIDING A LOT OF HOME HEALTH CARE. GEORGE REQUIRES 24 HOUR CARE AND WILL FOR LIFE. WE WERE HOPEFUL THE STAY AT THE LAKELAND HOUSE WOULD WORK BUT GEORGE WANTED TO RETURN HOME. CHRISTINE HAS BEEN NAMED AS GEORGE LEGAL GUARDIAN AND SHE IS TODAY FAXING ME COPIES OF SAID PAPERWORK NAMING HER SAME. IN THE FUTURE WE WILL BE PAYING HOME CARE AS FOLLOWS: RAIN SADE 40 HOURS PER WEEK, MONDAY THRU FRIDAY EVERY WEEK AND THEN I WILL PAY CHRISTINE PARRISH AS LEGAL GUARDIAN OF GEORGE WILLIAMS FOR ALL OTHER HOME CARE HOURS AND SHE WILL DISBURSE THE MONEY AS NEEDED TO ALL OF THE OTHER CARE GIVERS. SUE HICKS/MMU 1-248-848-4921\*\*\*\*\*

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DIRE-IJM INJURY MEMO INFORMATION 01/07/05 14:23:19  
CLAIM NO: DT 147255-A CLID: 01 PAGE: 036 TOTAL CLIDS: 01 DOL: 12 15 98  
INJ NAME: GEORGE WILLIAMS

HOME. THERE HAD BEEN A LOT OF CONCERNS ABOUT GEORGE CARE AT HIS SISTERS HOME BEFORE WHEN THE AGENCY WAS CARING FOR HIM, CONCERNS ABOUT THE WAY HE WAS BEING TREATED BY HIS FAMILY AND HIS NUTRITION. THEN WE HAD THE SPELL WHEN GEORGE WAS SO AGGRAVATED AND UPSET AND THEN WAS TAKEN TO THE HOSPITAL FOR SAME, HE WAS DX WITH A BAD INFECTION AND THEN WENT TO LAKELAND HOUSE INSTEAD OF RETURNING HOME. GEORGE DID VERY WELL AT LAKELAND BUT HIS NIECE INSISTED ON BRINGING GEORGE BACK HOME AND CARING FOR HIM.

CHRISTINE INSISTS THAT GEORGE WANTED HOME REAL BAD AS WELL AS HIS TWIN SISTER WHO IS AILING WANTING HER BROTHER HOME. APPARENTLY GEORGE IS NOW DOING REAL WELL. CHRISTINE ASSURE'S VERY GOOD CARE TO HER UNCLE.

RECENTLY GEORGE HAD A PROBLEM WITH HIS SUPRA PUBIC CATH, HE SAW THE UROLOGIST AND WILL RETURN AGAIN IN A COUPLE WEEKS AND WILL BE LOOKING AT REMOVING THE CATH.

GEORGE SUSTAINED A TBI IN THIS LOSS, HE WILL REQUIRE 24 HOUR SUPERVISION FOR THE REMAINDER OF HIS LIFE.

AAA IS PRIMARY FOR ALL ACCIDENT RELATE, R & C MEDICAL BILLS. WE PAY HOME

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CLAIM NO: DT 147255-A CLID: 01 PAGE: 039 TOTAL CLIDS: 01 DOL: 12 15 98  
INJ NAME: GEORGE WILLIAMS  
FORMAL REHAB AND RECEIVING 16 HOURS PER DAY IN HOME HEALTH CARE. DR. DOBLE  
DECREASED SAME FROM 24 HOURS FEELING THAT GEORGE IS SAFE DURING THE  
SLEEPING HOURS.

GEORGE RESIDES WITH HIS TWIN SISTER IN HER HOME AND IS CARED FOR BY  
FAMILY MEMBERS. ALL FOLLOW UP MEDICAL CARE IS WITH DR. DOBLE AND THEN  
SOME UROLOGY FOLLOW UP BUT I DON'T HAVE ANY RECENT REPORTS ON THAT ISSUE.

DR DOBLE TOLD ME THAT GEORGE LOOKED GOOD, HAPPY AND HEALTHY WHEN SHE  
SAW HIM.

AT THIS TIME AAA IS PRIMARY FOR ALL ACCIDENT RELATED R & C MEDICAL BILLS,  
WE PAY 16 HOURS PER DAY IN HOME HEALTH CARE AND I STAY IN CONTACT WITH  
THE GUARDIAN CHRISTINE PARRISH REGARDING GEORGE.

CIB, MCCA AND MRR ARE FINE. PR AND AFB IN FILE. CHIS WAS CHECKED  
INITIALLY ALTHOUGH THIS WAS AN O.O.P. CASE. GEORGE WAS HIT BY A CAR.

FILE BEING REDIARED FOR 12-15-99. SUE HICKS/MMU 1-248-848-4921\*\*\*\*  
\*\*\*11-15-99 I HAVE REVIEWED FILE TODAY AND PAID THE HOME CARE TO THE TWO  
CARE PROVIDERS. I HAVE DECIDED THAT IT IS TIME TO RETURN THIS FILE TO

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DIRE-IJM

INJURY MEMO INFORMATION

01/07/05 14:23:25

CLAIM NO: DT 147255-A CLID: 01 PAGE: 040 TOTAL CLIDS: 01 DOL: 12 15 98

INJ NAME: GEORGE WILLIAMS

THE LOCAL BRANCH. GEORGE IS DOING REAL GOOD HE IS STABLE, HE IS RESIDING WITH HIS TWIN ELDERLY SISTER AND NOW HIS NIECE AND GRAND NIECE PROVIDE THE CARE TO HIM, INFANT I BELIEVE THAT CHRISTINE PARRISH LIVES IN THE HOME, SHE HAS ADDITIONALLY FOUND ANOTHER FAMILY MEMBER, RAIN SADE TO PROVIDE 8 HOURS HOME CARE MONDAY THRU FRIDAY, CHRISTINE AS GUARDIAN OF GEORGE IS PAID THE REMAINING 8 HOURS MONDAY THRU FRIDAY AND THEN 16 HOURS ON SAT AND SUNDAY.

THE LAST VISIT THAT GEORGE HAD WITH DR. DOBLE IN HER LIVONIA OFFICE SHE DECREASED THE HOME CARE TO 16 HOURS PER DAY AND FELT THAT WOULD REMAIN FOR LIFE.

GEORGE SUSTAINED A TBI IN THIS LOSS, HE IS NOW UNABLE TO CARE FOR HIMSELF HE NEEDS SUPERVISION BUT DR. DOBLE DID FEEL HE WAS SAFE AT NIGHT SO THUS THE DECREASE.

ALL MEDS ARE THRU NORTHWOOD, THERE IS SOME FOLLOW UP WITH GEORGE UROLOGIST AS HE HAS A SUPRA PUBIC CATH AND THEY MAY BE REMOVING SAME AS GEORGE HAD SOME DIFFICULTIES WITH THIS. I WOULD SUGGEST THAT THE BRANCH ADJUSTER MAKE

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INJURY MEMO INFORMATION

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CLAIM NO: DT 147255-A CLID: 01 PAGE: 042 TOTAL CLIDS: 01 DOL: 12 15 98

INJ NAME: GEORGE WILLIAMS

01-07-00 CONT-PAID TO RAIN SADE AND REST TO CHRISTINE HOURLY AMOUNT NOT MENTIONED AND HOME CARE PORTION OF CLM NOT WITH FILE I LOCATED ON ADJ DESK THUS DECISION MADE TO ISSUE CK SAME AP PREVIOUS NO INTEREST BEING ISSUED AND WILL LEAVE FOR HANDLING ADJ TO CORRECT AMOUNT AND REV INTEREST IF NEEDED. P LONG/LP/DUTY

01-10-00 RETURNED CHRISTINE PARRISH PHONE CALL THIS DATE AND LEFT MSG ON VOICE MAIL FOR CALL BACK. JAWAD LP NOTED ABOVE MEMO. HOME CARE NOT DUE UNTIL 2-04-00. DO NOT KNOW WHY THIS WAS PAID ON 1-07-00 BY DUTY ADJUSTER THERE IS NO INTEREST DUE AS IT WAS PAID AHEAD OF TIME. JAWAD LP

01-27-00 PER PREVIOUS CHECK REQUEST CALCULATIONS HOME HEALTH SERVICES ARE BEING PAID AT \$7.50 PER HOUR. WILL CONTINUE WITH SAME RATE PER MEMOS RE CLID CONDITION. CHK REQ 94 FOR RAINE SADE IN THE AMOUNT OF \$1320 IS CORRECT. IT REFLECTS PAYMENT FOR \$176 HOURS. CKE REQ 95 IS ALSO CORRECT. IT REFLECTS PAYMENT FOR 304 HOURS DURING THE 30-DAY PERIOD. 304 HOURS REPRESENTS 8 HRS PER DAY FOR 22 DAYS AND 16 HOURS PER DAY ON WEEKENDS WHICH TOTAL 8 DAYS. JAWAD LP

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CLAIM NO: DT 147255-A CLID: 01 PAGE: 045 TOTAL CLIDS: 01 DOL: 12 15 98  
INJ NAME: GEORGE WILLIAMS

04-12-00 REC A CALL FROM CHRISTINE PARRISH, LEGAL GUARDIAN OF CLID. SHE WAS INQUIRING WHETHER THE HOME CARE CHECKS FOR HERSELF AND RAIN SADE HAVE BEEN ISSUED. I ADVISED THEY HAVE NOT. LAST HOME CARE CHECK ISSUED ON 3/13/00. I REVIEWED CLAIM. AAA IS PAYING \$7.50 AN HOUR HOME CARE FOR 16 HOURS PER DAY. 8 HOURS PER DAY, MONDAY TO FRIDAY IS PAID TO RAIN SADE. THE OTHER 8 HOURS PER DAY, MONDAY TO FRIDAY AND 16 HOURS PER DAY ON SATURDAY AND SUNDAY IS PAID TO CHRISTINE PARRISH. WILL ISSUE HOME CARE CHECKS AT THIS TIME FOR CLAIM REP, N.JAWAD WHO IS ON VACATION. DWIECZERZA/LP/DUTY

04/14/00 CHECK NUMBER 38 IS LISTED ON THE 4/12/00 EXCESS TOLERANCE REPORT AS BEING AUTH BY DWIECZERZA - OK. CHECK IS FOR ONGOING HOMECARE. ASTOCKTON/BCM/LATHRUP CLAIM FACILITY.

04/25/00 NORTHWOOD STATES THEY HAVE AN O/S BILL IN THE AMOUNT OF \$5.17. CHECK OF FILE DID NOT REVEAL INVOICE. REQ FAXED COPY./S GRANGER FOR N JAWAD

5/22/00 NATALIE, REQUEST CURRENT MEDICALS. WHAT IS THE STATUS OF THE HOSP BILL? VCRIGLER/LP

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DIRE-IJM

INJURY MEMO INFORMATION

01/07/05 14:23:37

CLAIM NO: DT 147255-A CLID: 01 PAGE: 046 TOTAL CLIDS: 01 DOL: 12 15 98

INJ NAME: GEORGE WILLIAMS

06-06-00 MEMO FROM MEDICAL MGMT/FH...WE REC'D A REFUND CHECK FOR \$182.32 FROM NORTHWOOD INC WITH A LETTER OF EXPLANATION ATTACHED...I HAVE FORWARDED IT TO LATHRUP CLAIM CTR..ATTN: C BAILEY AS CLAIM IS NOW BEING HANDLED AT THAT OFFICE....ME/MMU/FH

06-08-00 MEMO-DEP CK #1007 FROM NORTHWOOD INC FOR \$182.32 FOR OVERPAYMENT. N DEMEESTER LP 248-584-3311

06-14-00 CLID SAW PMR DR JENNIFER E. DOBLE. SHE SAW HIM IN FOLLOW UP FOR HIS MODERATELY SEVERE TRAUMATIC BRAIN INJURY AND URETHRAL OBSTRUCTION RELATED TO THE MVA OF 12/98. DR DOBLE DID A CYSTOGRAPHY AND AN URETHROGRAPHY. HE HAD A FOLLOW-UP APPT WITH UROLOGY ON 5-12-00. CLID GUIDIAN IS HIS NIECE. SHE REPORTS THAT CLID HIDES HIS MOEY AND THEN SHE CANNOT ACCOUNT FOR IT. CLID WANTS TO WORK AND EARN MONEY. HE IS BORED. CLID IS NOT ON ANY CURRENT MEDICATIONS. HE CONTINUES TO REQUIRE 24 HR CARE. HE WAS REFERED TO WAYNE S STATE DENTAL SCHOOL CLINIC. HE WAS ALSO REFERRED TO A PRIMARY CARE PHYSICIAN FOUAD BATAH, M.D. IN PROVIDENCE HOSPITAL MEDICAL COMMUNITY FOR ONGOING PRIMARY CAR NEEDS. IT WAS ALSO RECOMMENDED THAT FAMILY APPLY FOR MEDICAIDE

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CLAIM NO: DT 147255-A CLID: 01 PAGE: 054 TOTAL CLIDS: 01 DOL: 12 15 98  
INJ NAME: GEORGE WILLIAMS  
12-01-00 (CONT...)

AS IT APPEARS WE MADE AT LEAST ONE PAYMENT TO HARPER FOR THAT DOS  
(DIFF AMOUNT). IF BILL IS FAXED TO ME TODAY, IT WILL ARRIVE 1 DAY BEFORE  
1 YR STATUTE IF NEVER REC'D. CONNIE UNDERSTOOD--MY FAX 248 423 6379.  
DWHIPPLE-LP 248 423 6370

12-12-00 REC'D CALL FROM CHRISTINE PARRISH REQ FULL COV LTR & LTR ADV OF  
AMT OF PAYMENT FOR SERVICES PROVIDED TO MR WILLIAMS FOR NURSING CARE.  
SHE WANTS CONFIRMATION OF SAME TO USE FOR WHEN SHE APPLIES FOR A PERSONAL  
LOAN.

REV'D FILE, CHRISTINE & RAIN SADE ARE PAID \$7.50 PER HR AND NEED TO REVIEW  
FOR POSS RATE INCREASE. WRITING REQ FOR NARRATIVE FROM DR OLDFORD,  
UNIV HEALTH CENTER, 4201 ST ANTOINE, DETROIT, MI 48201  
REQ NEW AUTH FROM CHRISTINE PARRISH FOR FILE.

SEND FULL COV LTR--D WHIPPLE-LP

12/19/00 MCCA DIARY-REQUESTED ENTIRE FILE FOR MCCA AUDIT SEND TO MMU/MARTZ

12-22-00 REC'D CONFIRMATION FROM STORAGE NO VOLS THERE...SEND ALL FILES FROM

TOTAL PAGES: 091 NEXT PAGE:

WLES: X APAC: CHK REQ: DLY DRY: DIARY:  
MENU: CLAIM NO: CLID NO: VEH NO: ICE: RES. ACT: INT RES:

00053

MESSAGE:

DIRE-IJM INJURY MEMO INFORMATION 01/07/05 14:23:52  
CLAIM NO: DT 147255-A CLID: 01 PAGE: 059 TOTAL CLIDS: 01 DOL: 12 15 98  
INJ NAME: GEORGE WILLIAMS

01-24-02 \*\* CLAIM LOCKED / ATTENDANT CARE \*\* ORIGINAL CLAIM WAS LOCKED BY A  
K.MILLER (UNK LOCATION) SINCE DEC/01 & AFTER SEVERAL ATTEMPTS THROUGH THE  
HELP DESK/DB-BCM/DB-ADMIN CLAIM WAS CLEARED 1-22-01. NO DATA/MEMO/CHECK  
ENTRY COULD BE COMPLETED. CURRENT MED BILLS FOR MILEAGE/PARKING/NORTHWOOD  
INC/RN VISITS REMAINED UN-PAID. FILE CURRENT & 3142 LATE PAYMENT PENALTIES  
APPLIES & PAID.... ALSO ATTENDANT CARE WAS PAID THROUGH 1-31-02 @ \$9.00 HR  
FOR 24/7. CERT OF DISABILITY IN FILE DATED 10-3-01 CONFIRMS 24/7. WILL IN-  
CREASE ATTENDANT CARE FROM 1ST OF YEAR (1-1-02) AT \$9.50 HR 24/7 AND PAY  
BACK TO 1-1-02 TO PRESENT CHECK ISSUED TO 3-31-02 (90 DAYS) ADJUSTED INCREASE  
OF \$1081.00 & PAY NOW SO NOT TO INCUR 3142 IN THE FUTURE. THIS WILL BRING  
FILE CURRENT.....STILL NEED TO MAKE HOME VISIT/ASSESSMENT IN THE FUTURE &  
FOLLOW UP BY NEXT DAIRY \*\* BTF \*\* A.KURTINAITIS (DB) 313/436-7210 DOF# 421  
PIP COV: OOP 08 CMB/MEDICARE NEXT CARE DUE: APRIL/02  
AWAITING: HOME VISIT PIP DAIRY: 03-18-02

02-20-02 MMU NOTED THE MRR. WILL FILE WITH MCCA/FINANCIAL REPORTING. IF YOU  
HAVE ANY CURRENT MED REPORTS, PLEASE SEND A COPY TO MMU.CC.REDPATH/MMU

TOTAL PAGES: 091 NEXT PAGE:  
WLES: X APAC: CHK REQ: DLY DRY: DIARY:  
MENU: CLAIM NO: CLID NO: VEH NO: ICE: RES ACT: INT RES:

00058

MESSAGE:

DIRE-IJM

INJURY MEMO INFORMATION

01/07/05 14:23:57

CLAIM NO: DT 147255-A CLID: 01 PAGE: 063 TOTAL CLIDS: 01 DOL: 12 15 98

INJ NAME: GEORGE WILLIAMS

08-05-02 UPDATED THE MRR. COMPLETED FILING WITH MCCA AND FINANCIAL REPORTING. INCREASING RESERVE BY \$377,000. WHEN YOU RECEIVE AN UPDATED MED REPORT, PLEASE SEND A COPY TO THE CLAIMS REINSURANCE UNIT - CCF - DOF #9500. THANK YOU.

C REDPATH/CLAIMS REINSURANCE

9-2-02 DIARY AND UPDATE. I DID SPEAK TO CLID'S GUARDIAN, CHRISTINE PARRISH ON 7-1-02 AND DETERMINED THAT VISITING NURSE COMES OUT TO RESIDENCE 1X/MONTH TO CHANGE CLID'S SUPRA PUBIC CATHETER, AND CLID WEARS DIAPERS, BUT IS CONTINENT WITH BOWEL. CLID'S PRIMARY DOCTOR IS DR. SALEH WHO HE TREATS WITH 1X/3 MONTHS. WE GET CLID'S SUPPLIES FROM NORTHWOOD AND HE IS ON RISPERDOL WHICH CLID TAKES PRN (SEDATIVE). CLID USES A ROLLING WALKER IN THE HOME FOR SHORT DISTANCE AND HAS A WC HE USES WHEN OUT IN COMMUNITY. CLID WAS LAST EVALUATED AT RIM IN 1999 AND I DID MAKE CONFERENCE CALL TO RIM WITH CLID'S GUARDIAN AND CLID HAD APPT WITH DR. D. MORALES ON 8-6-02. HOLDING FOR RPT OF EVAL. I ALSO SCHEDULED OT EVAL WHICH WAS COMPLETED 8-26-02 BY L. MILLER AS CLID MOVED INTO ANOTHER APT ON 8-2-02 AND PER HIS GUARDIAN, WOULD IMMEDIATELY NEED A NEW SHOWER CHAIR. ALSO NOTE THAT I SENT CLID'S...

TOTAL PAGES: 091 NEXT PAGE: X

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00062

MESSAGE:

DIRE-IJM INJURY MEMO INFORMATION 01/07/05 14:24:01  
CLAIM NO: DT 147255-A CLID: 01 PAGE: 064 TOTAL CLIDS: 01 DOL: 12 15 98  
INJ NAME: GEORGE WILLIAMS

GUARDIAN SOME MILEAGE FORMS FOR SUBMITTING MILEAGE. SHE HAS SUBMITTED MILEAGE FOR 1-2 TO 8-6-02 BUT REVIEW OF SAME DOESN'T REFLECT THE NAME OF A DOCTOR ONLY IDENTIFIES WHERE CLID WENT, I.E. UNIV HLTH CTR, HARPER HOSP, ETC DISCUSSED THIS WITH GUARDIAN, AS ADVISED THAT NEED MORE INFO, TO DETERMINE IF THE VISITS WERE RELATED TO TREATMENT FOR DOL, ESPECIALLY SINCE WE HAVE NOT REC'D ANY BILLS FOR TREATMENT AND WHICH IS WHY I SCHEDULED EVAL WITH P.M & R DOCTOR AT RIM. FURTHER NOTE THAT THE BILLS FOR THE SERVICES WERE BILLED TO MEDICARE/MEDICAID WHICH CLID'S GUARDIAN INDICATES CLID STARTED ON MEDICAID IN 1999 AND THEN MEDICARE IN 2002. I HAVE STRESSED THAT IF TREATING FOR DOL, PROVIDERS MUST BILL US. CLID HAS REC'D SOME COLLECTION NOTICES RELATED TO TREATMENT AT THESE PROVIDERS, BUT AGAIN, I CAN'T REVIEW UNTIL HAVE THE BILLS. REQUESTED CLID'S GUARDIAN SUBMIT A MEDICARE/MEDICAID EOB AND I WOULD CONTACT MEDICARE TO REQUEST REVIEW OF PAYMENT MADE TO PROVIDERS THAT MAY BE RELATED TO DOL INJ. THE MILEAGE REIMBURSEABLE AT THIS TIME IS FOR EVAL AT RIM 8-6-02 THAT I WILL REIMBURSE. ALSO NOTE THAT CLID'S GUARDIAN HAS SUBMITTED RECEIPTS FOR PAYMENTS SHE MADE TO ATTORNEY'S FOR GUAR-

TOTAL PAGES: 091 NEXT PAGE:

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MESSAGE:

DIRE-IJM

INJURY MEMO INFORMATION

01/07/05 14:24:02

CLAIM NO: DT 147255-A CLID: 01 PAGE: 065 TOTAL CLIDS: 01 DOL: 12 15 98

INJ NAME: GEORGE WILLIAMS

DIAN PROCESSING. REASSIGNMENT LETTER SENT OUT LAST MONTH TO CLID'S GUARDIAN. WILL SEND LETTER REITERATING THE STATUS OF PROCESSING OF MILEAGE FOR VISITS NOT DOCUMENTED. ALSO NOTE RECEIPT OF FAXED OT EVAL RPT. SAME REFLECTS NEED FOR 24 SUPERVISION DUE TO HIS COGNITIVE STATUS, HE ALSO REQUIRES CUEING FOR ADL'S, AND SAFETY. CLID'S NEW APT IS BASICALLY HANDICAPPED ASSESSIBLE AND OT DID COMPLETE PAPERWORK WITH MANAGEMENT OF BLDG TO GET OTHER THINGS COMPLETED WITHIN THE AMERICAN DISABILITIES ACT. CLID DOES NEED AN AIR CONDITIONER DUE TO THE HEAT IN HIS APT AND NEED TO KEEP WINDOWS CLOSED DUE TO SAFETY ISSUES. I HAVE ADVISED CLID'S GUARDIAN, THAT WE ARE NOT RESPONSIBLE FOR PURCHASE OF AIR CONDITIONER, BUT WE WOULD PROVIDE THE RECOMMENDED SHOWER TRANSFER CHAIR, AND TOILET SAFETY FRAME. NOTE THAT GRAB BARS NEEDED ARE WHAT THE MANAGEMENT OF APT WILL BE COMPLETING, ONCE HAVE RX'S FROM DOCTOR'S. I HAVE CONTACTED BECKY AT NORTHWOOD AND REQUESTED ORDERING OF THE SHOWER CHAIR AND TOILET SAFETY FRAME (SPECIFIC ONES NOTED IN OT EVAL). NOTE THAT DR. MORALES REFERRED CLID BACK TO HIS PRIMARY DOCTOR RELATED TO POSSIBLE PT AS CLID'S GUARDIAN SEEMS TO FEEL CLID NEEDS PT.

TOTAL PAGES: 091 NEXT PAGE:

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MESSAGE:

DIRE-IJM INJURY MEMO INFORMATION 01/07/05 14:24:25  
CLAIM NO: DT 147255-A CLID: 01 PAGE: 079 TOTAL CLIDS: 01 DOL: 12 15 98  
INJ NAME: GEORGE WILLIAMS  
10/29/03 - ADJUSTER ON VACATION - PAYING NORTHWOOD 8/7/03 - \$20.00. G.TATE  
MMUII 313-436-7230.

11/13/03\*\*\*\*\*MGRS DIARY, APAC REVIEWED CURRENT RESERVE 321460.34  
TOTAL PAYMENTS FOR 03, 91661.50. CURRENT HOME CARE RATE 10.00 PER HOUR 24 HOUR  
S. HOME CARE RATE INCREASED ON 3/03 FROM 9.50 TO 10.00, CHERYL, SIGN THE HOME  
CARE SHEET AND REFER BACK TO ME FOR MY SIGNATURE. UNABLE TO LOCATE A CURRENT  
SCRIPT FROM THE DR FOR HOME CARE. CHERYL, FOLLOW UP ON DIARY.....WRW/MMUII  
11-18-03 ABOVE NOTED. PLEASE REFER TO VISITING NURSES NOTES IN FILE WITH  
RX'S FROM DRS. INDICATING CONTINUED 24HR CARE. NOTE THAT HOLDING FOR RPT  
OF EVAL WITH DR. MORALES ON 10-24-03. REFERRING H/C FORM WITH RX'S AND  
NURSING NOTES TO WM WHITE. ALSO PROCESSING H/C FOR 12-03 & 1-04. NEXT  
DIARY, 1-23-04. C HALL

11-25-03 NOTE OT EVAL RPT RELATED TO EVAL OF CLID'S NEW RESIDENCE. PER SAME,  
CLID NEEDS A NEW FOLDING WALKER AS HIS CURRENT ONE IS BROKEN AND NEEDS A  
SHOWER HEAD AND HOSE FOR SHOWER, AND RAILING ON FRT PORCH. I DID CONTACT  
MICHELLE AT NORTHWOOD AND ORDERED THE WALKER AND SHOWER HEAD. WILL CONTACT

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RECEIVED JUN 1 2004

RENEE K. LAPORTE, PhD., RN., CCM., CBIS.

Forensic/Medical Case Management

PO Box 510780  
Livonia, MI 48151-6780  
(734) 266-9980  
(734) 266-9981 - Fax  
mcp@twmi.rr.com

May 27, 2004

James McKenna  
Thomas, Garvey, Garvey, & Sciotti  
24825 Little Mack  
St. Clair Shores, MI 48080-3218

RE: Your client; George B. Williams  
DOB: 5/27/23  
DOL: 12/15/98

**HOME ATTENDANT CARE EVALUATION**

**May 27, 2004**

George Williams is an 85 year old male who was reported to be a pedestrian hit by 2 vehicles while crossing a street on 12/15/98. A history of his injuries and medical condition was obtained from some medical records/reports and his grand-niece, Christine Parrish, who is also his legal guardian.

It is reported that George experienced some LOC at the time of his accident. He was taken by ambulance to Detroit Receiving Hospital ER where he was evaluated as a "John Doe" since he had no identification on him. The ER noted he had a right frontal-parietal scalp laceration and a left ear laceration that were both surgically repaired in the ER. Diagnostic tests indicated that George had suffered a right non displaced inferior ramus pelvis fracture. A CT scan of his head indicated he had suffered a right parietal non-depressed skull fracture. Attempts to place a Foley catheter were unsuccessful so a suprapubic catheter was surgically inserted. His guardian reports that the physicians told her that the pelvis fracture was pressing against the urethra, causing a stricture. A suprapubic Cystogram done on 12/21/98 confirmed the urethral stricture. His guardian reports that when the family discovered that same day that George was missing they began to search for him through the police and local hospitals, finally located him on 12/16/98. George was awake and alert but confused in the days following his MVA and his guardian was told that he had suffered a TBI. On or about 12/22/98 George was medically stable so he was transferred to the Rehabilitation Institute of Michigan (RIM) and then shortly after again to the Lakeland Center for further long term rehabilitation and recovery. On 12/24/98 an ADL Evaluation reported that George required 1:1 assistance/supervision for feeding and transfers. On 12/28/98 it was reported that some bilateral elbow tightness was noted. George was reported to be pleasant but confused. Some time after the first of the year George was discharged back home to live with his twin sister, niece and great-niece (guardian). His guardian reports that she and her mother moved into his home prior to his discharge to be

there to assist him. It is reported that Home Health Aides (HHA) were also hired to assist the family with his attendant care and supervision, primarily while they were at work.

Prior to his accident, it is reported that George shared a home with his twin sister. His history included being in the military and working as a car salesman until he had retired approximately 25 years before. AT the time of his accident he worked part time sweeping floors in a local barbershop to keep himself busy and to earn extra money. His guardian reports that he had no past medical, surgical or psychiatric history, and had been totally independent and self-sufficient prior to his injuries. He also helped to care and watch out for his twin sister who was starting to fail in her health. His guardian reports he had no functional vision or hearing problems that she was aware of before his accident.

It is reported that George was having some difficulty with increased agitation, especially with the HHAs in his home. She reports he was used to being independent and doing what he pleased and did not like being told what to do by them. Sometime in April 1999 his guardian reports an incident when she heard yelling and a lot of commotion in George's room and upon entering his room found his HHA about to hit him with a chair. George was extremely upset and shaking to the point where she thought he might be having a seizure so he was taken to the ER at Providence Hospital for evaluation. He apparently was admitted to the hospital and evaluated for several days, and then discharged on 4/30/99 to the Lakeland House, a TBI group home. The Lakeland House initial assessment reported that George could ambulate with no difficulty with supervision. He was able to verbalize his needs and he was oriented to person only. His suprapubic catheter remained intact and he required verbal guidance and supervision in order to perform his ADLs.

It is reported that George remained at the Lakeland House group home until 8/9/99, when he was discharged back home with his guardian, niece and sister. He followed up with his PMR specialist, Dr. Jennifer Doble, for about one year after his discharge. After that time period it was felt that PMR had nothing more to offer George in the way of rehab services so he was advised to just follow up with his PCP.

Once back at home, his guardian reports that she left her full time position as the marketing director for a nursing home to be available to provide attendant care and medical coordination for George, along with assistance from her mother and other family members. In addition she reports she hired some private duty HHAs that she knew were reliable to assist them with his attendant care and supervision, as needed.

After his discharge George was taken for follow up with his urologist, Dr. Oldford, once a month to have his suprapubic catheter evaluated and changed.

In December 2000, arrangements were made for a VNA RN to come to his home once a month for suprapubic catheter management and changing. The family also received additional training on his daily catheter care. George's guardian reports that since the insertion of his suprapubic catheter he has experienced multiple urinary tract infections, some which have required inpatient hospitalizations for IV antibiotics. His guardian reports that usually after his hospitalizations the discharge planner would make arrangements for George to receive some in home physical therapies for a few weeks to improve upon his functional abilities and strength. The PT specialist also put George on a daily exercise program that he still performs daily with the assistance of his family or aide.

On 8/6/02 George was taken for an evaluation with Denise Morales, MD, at the request of his no fault carrier. It was reported by his family that George had suffered with an increased in confusion and a decline in his functional over the past few years. Dr. Morales noted that he

had dysarthria but was able to answer questions, but the accuracy of the answers was questionable. She reported that most of his history was provided by his niece who was his guardian. Dr. Morales reported that George had not attended any outpatient PT or OT after his discharge home. It was clear to the physician that he was hard of hearing and had receptive aphasia. His right eye vision was noted to be very poor. It was reported that George was following up with his family physician, Dr. Yazbek for routine medical care. It was reported that he had 4 falls occurring over the past 3 months. He had also started to see a new urologist, Dr. Santucci for his urologic care. It was noted that George was ambulating with a wheeled walker, he stuttered and he had dysarthria. His medical diagnoses were: TBI sustained in MVA on 12/15/98; Right pubic inferior ramus fracture; Right parietal skull fracture, Glaucoma; and history of urethral stricture. George was advised to follow up with his family PCP for the falling problems to rule out any neurological reasons. Additional outpatient PT was ordered to be done at RIM.

His guardian reports that he attended PT at RIM until early winter when it began to become too difficult to get him out in the snow. PT had also informed her that he really was not getting much benefit from the therapy because his poor memory and vision were affecting his follow through and functional abilities.

His guardian reports that through the years since his injuries she has had to move him between several apartments and homes to maintain his well being. He was initially moved out of the home he shared with his sister and into a studio apartment when she became very ill and passed away. The studio apartment became too small for him so she moved him into a 2 bedroom apartment. The 2 bedroom apartment was evaluated in 2002 by Laura Miller, OTR and was found to be unsafe for him so he was again moved to a small rental home in East Detroit, close to his guardian.

His guardian reports that she has provided, or arranged for other to provide him with 24 hour a day attendant care since his discharge from the Lakeland House. She reports that there was a short period of time shortly after his discharge home when his physician decreased his attendant care orders to 16 hours a day, but due to his falling, poor memory and other safety issues it was raised back to 24 hours a day.

On 10/6/03 Laura Miller OTR reported that she conducted another Home OT Functional Evaluation on George in his newly rented home to promote enhanced function and home safety. Ms. Miller reported that George required set up and supervision for self feeding. He required cueing, supervision and occasional physical assistance with his ADLs. His bladder function was managed with an indwelling catheter and he remained continent of his bowel. She reported that George was dependent for his emergency communication, transportation, household management and meals. It was recommended that he have a transfer shower chair, and hand held shower, a new rolling walker and bilateral handrails along the front porch steps. ***Ms. Miller reported that George will require the presence of 24 hour a day supervision for the foreseeable future.*** She reported that overall his functional status remained the same as reported in the previous year, although the impact of his declining vision/hearing did complicate his functional status.

It is reported by his guardian that some time after his accident his facial scar started to cause him problems so he required some plastic surgery. Since that surgery, the wound continues to occasionally open up and requires specifically ordered wound care to heal up again.

***Presently, George's guardian reports that he continues to reside in his rented home with 24 hour a day attendant care and supervision provided or arranged for him by his***

*guardian and family.* George follows up every 3 months with his new PCP, Dr. Saleh for his routine medical care. He continues to use a rolling walker for ambulation around his home. His guardian reports that last year they tried to get him back to using a cane (because he was insisting he want to) but it did not work out. George goes to the Kresge Eye Institute for follow up with his vision problems, as advised. They have been told that he has developed both glaucoma and cataracts since his MVA and he requires the administration of eye drops 3 times a day, which he does not like. George sees a podiatrist frequently for management of his thickened toe nails and extremely dry skin on his feet. His toes are also contracted under and require special care to maintain hygiene and skin integrity. His guardian reports that she has to soak his feet daily and then apply his prescribed cream medications. George continues to have his indwelling suprapubic catheter that requires daily catheter care, irrigation and management of the leg bag. His guardian reports that the nursing home and then later the home care RN has trained her on the care and management of the catheter in order to try to cut down on his chronic UTIs. The guardian has also been advised to make sure that he drinks fluids throughout the day to help flush out his system and prevent UTIs, which she does. The catheter is changed once a month by the VNA home care RN. George continues to suffer with extreme hearing loss since his MVA. His guardian reports no formal hearing tests or audiology consultations have been done to her knowledge so she is unsure if he would benefit from a hearing aid.

Cognitively, George remains oriented to person, but not time or place. He is pleasant and will try to respond to your questions but he stutters and is quite difficult to understand. On the day of the home attendant care evaluation it was George's 85th birthday and when this evaluator asked him how old he was today he replied 57 years old. George spends most of his day sitting and listening to his favorite big band music. His guardian reports she quizzes him through the day about the music he is listening to and his long term memory appears to be intact. She reports that she also used to work with him on orientation and with flash cards but as his eye sight declined that became to difficult for him. His guardian reports that she is unaware of any neuropsychological evaluation ever being performed on George. He has had no follow up CT scans or MRIs of his head ordered. She believes that this may be due to his advanced age. Annually George goes back to RIM for evaluation and data collection as part of a long term post TBI study being conducted by RIM.

Behaviorally, his guardian reports that he is doing much better since the family has taken over most of his care. In the past he was quite resistant with some of the HHA when they were insisting that he do something he did not want to do, or vise versa. His guardian reports that he still has Risperdal ordered for increased agitation on a PRN basis but she does not like to give it to him unless she has to as it makes him too lethargic.

Current medications include ASA, Travatan eye drops, Timolol maleate eye drops, Amlactin cream and urea powder for his feet. He usually takes Cipro when he experiences a UTI. George home care supplies include catheter insertion and care supplies/kits, under pads and adult disposable briefs which are all ordered and managed by his guardian.

#### **ATTENDANT CARE:**

Since his MVA injuries George has required and received varying amounts of skilled and basic nursing care as both an inpatient patient/resident and after his discharge home in order to maintain his ADLs, safety and promote his recuperation.

After the times he was discharged home, *his guardian reports that he continued to require continuous attendant care and safety supervision, which she either provided or arranged for through the assistance of other family members and some outside hired aide help.* His guardian (grand niece) reports that she and her mother initially had to move into his home to be there to provide and manage his attendant care and safety. She reports that for a short period of time Dr. Doble tried to decrease his attendant care hours from 24 hours a day to 16 hours a day but the family found that they were unable to leave him without problems occurring, such as falls. His vision and hearing also appeared to decline rapidly after his MVA. Cognitively and physically he was unable to do anything for himself without cueing and memory support. She reports that *Dr. Doble then increased the attendant care back to 24 hours a day where it has remained since that time.* His guardian reports that his PCP, Dr. Yazbek had also ordered 24 hour a day attendant care and supervision while he was providing medical care for George. Additionally, *Laura Miller, the OTR reported in 2003 that George required 24 hour a day supervision and would likely continue to for the unforeseeable future.*

George's guardian reports that George requires assistance and supervision with all of his basic and advanced ADLs, including all of his personal care (bathing, grooming, oral hygiene, shaving, dressing, toileting, perineal care, foot/nail care, wound care, nutrition, medication management/administration, skin care), assistance with his daily home exercise program including ROM, and catheter care. He requires supervision while ambulating with his rolling walker to prevent falls, especially on stairs. He also requires home making type assistance that includes housekeeping, laundry, personal errands, shopping and management of his finances. Some of George's attendant care needs have been those that are considered *skilled nursing in nature, including the administration/application of prescribed medications, instillation of medication into his eyes, catheter care, and wound care, as needed.* Out of a 24 hour a day period, *approximately one (1) hour a day is required to complete his skilled nursing care needs.*

For his *skilled nursing care need (one hour a day)*, the level of care that has been reasonable, necessary and provided for George by his family is at the minimum level of a *Licensed Practical Nurse (LPN), with a replacement value of reasonable service of \$40.00 an hour.*

For his *basic attendant care needs* and the remaining hours of the day, the level of care that has been reasonable, necessary and provided for George by his family is at the minimum level of a *Home Health Aide (HHA), with a replacement value of reasonable service of \$18.00 an hour in the SE Michigan area. A national survey conducted by Met Life in August 2003 reported that the national average for this level of basic HHA care was at \$18.12 an hour.*

I am in agreement with the OTR specialist that *George is likely to require the 24 hour a day attendant care and safety supervision into the unforeseeable future.* Considering his advanced age he will likely require it for the rest of his life. If not for his family, George would have to be placed into a skilled nursing facility for the remaining portion of his life.

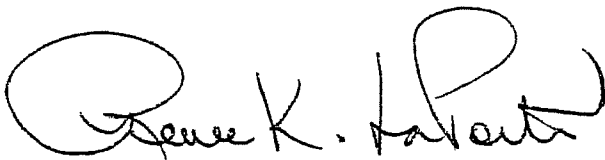
In addition to attendant care and supervision, George's guardian has also performed the duties of a *medical case manager, with a current market value of \$90.00 an hour.* These services include but are not limited to coordinating his medical care among his physicians, scheduling and attending his appointments as his patient advocate, discussing and reporting medical/nursing needs to his physicians, following through on physician recommendations /

orders and maintenance and sharing of his pertinent medical information to promote continuity of his medical care.

His guardian has also been responsible for hiring attendant care assistance outside of the family as required, and training/instructing them on George's specific attendant care and supervision needs. This is routinely the responsibility of a *Registered Nurse (RN)*, with a market value of \$50.00 an hour.

Please feel free to contact me if you have any questions regarding this evaluation or if I can be of further case management services to you or this client.

Sincerely,

A handwritten signature in black ink, reading "Renee K. LaPorte". The signature is fluid and cursive, with a large initial "R" and "L".

Renee K. LaPorte PhD, RN, CCM, CBIS, CMI-3  
Sr. Disability/ Managed Care Specialist

Was it just a general sense, or were there specific instances where you can think of where these issues became clear?

Q: Both.

A: Why don't you tell me first in general.

Q: In general, as time went on with my employment, individual incidents seemed—it had a cumulative effect and that contributed to a general sense that the primary role was to help control claim costs.

A: When did you start feeling that? If you can put

A: Sure, yeah. I can remember in the office on Kaman Boulevard, which was the first office where I was hired, John Eshmauer (ph) was the claim manager, and at that time his manager was, I believe, Rod McKenzie, and we had staff meetings with Mr. McKenzie. Mr. Eshmauer, the claim specialist and the nurses, and we were given some directions which were contrary to what I thought was fair to the patient.

A: In terms of giving the patient the maximum benefit benefits?

Well, let me ask you—that's kind of a very broad question.

And you understand that your

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position as a case manager is also the position of Michigan Supreme Court in the Shaver's decision which says that the No-Fault Act is to be—first of all a remedial statute and that it is to be liberally construed in favor of the injured party. You understand that that's the position with the No-Fault Act?

Q: Um-hmm.

A: Yes. And what you're saying—so can you tell me about the specifics of what happened in that meeting where you felt were—what was the issue that came up where you felt compromised the duty of a case manager to put the patient first as opposed to the

A: Sure. There's a specific benefit, replacement services, which as I understand the law allows up to \$20 a day, and we were told by Mr. McKenzie that we were not—claim specialists and nurses working with the claim specialist, were not to automatically offer that benefit, that we were to wait until the person made a claim for it. (Mr. McKenna entered the room.)

BY MR. GARVEY:

Do you mean just blanket pay the \$20 a day, or do you mean just even inform the person that they were

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(1) entitled to the benefit?

(2) A: My sense was both, and we were dealing with people with catastrophic injuries who very obviously could not shovel snow, take out their garbage, cook their meals.

(3) Q: So you were told, basically, not to volunteer the information; if they figured it out on their own or went to a lawyer, then you would answer their questions honestly, but you were not to volunteer any information?

(4) A: That's correct.

(5) Q: Let me just jump ahead and extrapolate on that.

(6) Did that same issue ever come up with attendant care, a similar issue, where they told you, look, if they ask you for a dollar and a half an hour, you are not to tell them that they're entitled to market rates?

(7) And let me just jump ahead. I want to inform you that we've taken the deposition of Carol Benn, and I will represent to you that Carol Benn has testified that it was clear to her in 1994 when this case was audited that the Beardens were being drastically underpaid. She didn't use the word "drastically," but I'll use the term "drastically" underpaid; that they actually

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(8) looked at the file, determined that they were being underpaid, raised the reserve by over a million dollars based on that underpayment, and then continued through today's date to pay them six bucks an hour, which payment they've been paid since 1985.

(9) MS. KULIK: I'm going to object to form and foundation.

(10) MR. GARVEY: Is there something I misquoted?

(11) MS. KULIK: I don't think you're properly characterizing it.

(12) MR. GARVEY: What about it is improper, other than the word "drastic"?

(13) MS. KULIK: My objection's on the record. You can have her answer. It's your characterization.

(14) MR. GARVEY: In other words, what I said was true.

(15) MS. KULIK: Well—

(16) BY MR. GARVEY:

(17) Q: Along those lines did—you've answered the question in terms of replacement services.

(18) Did a similar consideration arise along the lines of what I'm suggesting in terms of

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Are you aware of the effort that was  
 undertaken in—you left in '92?

: Correct.

: Okay. Carol Benn testified that in—and she thinks  
 was about '94, it appears that this particular  
 was audited in 1994. There was an  
 recitation by someone above her, the corporation,  
 : they were underpaying family members for  
 indant care, and they became concerned that  
 re might be future exposure, so they went and  
 icked the files at the branch level.

Are you aware of any of that?

: Yes. I was performing contract work for AAA at the  
 e. I remember this, as I worked in different  
 nches, the auditors coming through and—

: What was the purpose of that? What was the purpose  
 he audit?

: I'd have to say I remember being in the offices and  
 ing with auditors because I knew many of them.  
 or I left I can't testify as to exactly what  
 y were doing.

: Can you think of any, any reasonable explanation  
 finding a file where they admittedly could look  
 : and figure that the person is being  
 nderpaid, raising the reserve because they

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gnized the fact that the person is being  
 nderpaid, and then not informing the family that  
 y're being underpaid and continue to underpay  
 m for seven more years?

: Can I see any reason for that happening?

: Yes.

: Any logical and fair reason?

: Yes.

: No.

: Would you agree that—can you think of a word other  
 1 "outrageous" for that?

: Unfair.

S. KULIK: I'm just going to put a

aising objection on the record to the  
 evancy of this witness' opinions about  
 ever you want to pontificate on at this  
 overy deposition.

R. GARVEY: It's nice that I'm  
 ificating with Carol Benn.

BY MR. GARVEY:

Did you ever—can you recall ever raising any  
 al concerns with anyone at AAA. Just saying,  
 you know, I don't agree with this, whether it  
 attendant care or the incident that you talked  
 t with replacement services or housing or

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(1) anything like that, where you can think that

(2) somebody gave you a response?

(3) A: Yes.

(4) Q: All right. Tell me about that. I mean—

(5) A: (Interposing) Sure.

(6) Q: Might be more than one, but I'd just like to get

(7) some idea of what—

(8) A: When Mr. McKenzie was my manager's manager and he

(9) had those meetings with us, when he told us that we

(10) were not to offer benefits but see if people

(11) requested them, to control cost. I remember really

(12) clearly raising my hand in that meeting and

(13) Mr.—and I told Mr. McKenzie that what he was

(14) asking us to do was not right.

(15) Q: Well, and what did he say? Did he respond?

(16) A: He did.

(17) Q: What did he say?

(18) A: Mr. McKenzie told me and the staff in that meeting

(19) that, pretty close to a quote, he said we're not

(20) talking about right and wrong, we're talking about

(21) money, and you will do that.

(22) Q: Did he say or what, or was it implied?

(23) A: I think, I think he, yeah, I think there was an

(24) implication that—it was a direct direction. I

(25) don't know what—I can't speculate what implication

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(1) he had, but it was a direct direction, this is what

(2) you will do.

(3) Q: Continue not to inform people?

(4) A: Yeah. That was Mr. McKenzie.

(5) Q: And what was his position in the company at the

(6) time?

(7) A: He was the manager over John Eshnauer, who was the

(8) manager of the Medical Management Unit, when we

(9) were at Oakman Boulevard in Dearborn. We were—we

(10) were sometimes told to do things that conflicted

(11) with nursing practice.

(12) Q: Was this after they had changed your job title?

(13) A: Prior to.

(14) Q: So this was while you were still under the official

(15) title of the case manager, which you've pointed out

(16) means that you're a patient advocate?

(17) A: Correct.

(18) Q: Are you familiar with current rates for different

(19) like physical therapy, occupational therapy,

(20) attendant care and that sort of thing?

(21) A: I have some knowledge of it.

(22) Q: What are the rates now for like physical therapy,

(23) occupational therapy, recreational therapy?

(24) Would those be fairly similar rates

(25) or would they be different?

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Certainly if it came up, you would look at your claim certainly to see if you overpaid a claim.

And then you would pursue that. You would collect that, that would be part of your job?

Yes.

Okay. All right. That's kind of a nice segue into what we were talking about today, before I switched gears on you, and that was that as time went on there was an evolution in terms of paying family members in certain circumstances agency rates that the agency charges and we were talking about the fact that you or others within your unit would go to the branches and look at files with an idea towards discovering whether perhaps you may have underpaid a claimant?

Right.

Right. And I think we talked about the fact that - well, what brought your attention to those files? Well, as I said sometimes it would be a phone call from an adjuster. Sometimes it would be a family asking for money. And we were just seeing this evolution as explained to you before that some of these claims used to be -- the families weren't being compensated up for the level of injury.

Right. Would you agree that when a lawyer got involved

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in the case that that would get your attention, when a lawyer -- when a lawsuit was filed or you received a letter from a lawyer saying we think you've underpaid this person, that that would focus attention on that file?

A. That would not be a reason for us to go out and look at a file, if that's what you're asking.

Q. Why not?

A. Because we were doing it just generally anyway trying to look at all the files. It wasn't based on there's a call from an attorney.

Q. Was there ever a study performed by you at any point in time where the focus was, hey, this issue of underpayment of attendant care is becoming a big issue, we would like to know what our exposure might be, let's go look at all these old files and see what we may be looking at in the future, did that happen?

A. You said was there a study done?

Q. Yes.

A. We were really starting to look at all the files. There's no formalized study.

Q. What was the beginning of that, what was the genesis of that?

A. Probably some, you know, maybe lawsuits, again a review of files.

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trying to find out if there was ever a anywhere, whether it came from just your immediate adviser, it came above that, where there was some opinion that this could be a very large number, this underpayment, whether intentionally or not, this underpayment issue might become a issue and we better find out what our exposure is, or ever get that sense?

That's why we started looking at the files.

Right. And when was that?

Right again, I'm guessing at '97 or something like

Right. And when this sense came over you and in the company and you went out and looked at files, was the purpose to locate each individual and then contact the family to say, hey, you may be underpaid, or was the focus of it, let's find out our exposure might be if these files go into this?

MS. KILIK: Or was the exposure something else?

MR. GARVEY: Yes.

MS. KILIK: I'm sorry, or was the something else? I mean there's more than those natives.

MR. GARVEY: If there were more then that you can answer the question.

THE WITNESS: Right. These were branch files, so we were going out and talking to the adjusters about the files, looking at them, finding out what was being paid. And mostly we were concerned about the exposure certainly. If this was a very old claim, was the amount too low. We asked them to get current medical information, what's the current rate.

Those adjusters did not work for us, so we were there to give them guidance. They had their own managers. They did not work for medical management. So we were going out to help them with direction on their claims basically and give them some recommendations.

BY MR. GARVEY:

Q. All right. But again it's more of a global question as opposed to an individual file question.

Was one of the purposes for doing this, this exercise of going back and looking at from what you said all of the old cases, was one of them separate from the idea of perhaps notifying the families and saying we've been underpaying you, and was it instead or in addition to that, hey, we got to find out what our exposure is on. you know, we got hundreds

of old files going back to the '70s, what's our exposure on these files as time goes on?

MS. RULIK: You might want to define exposure as past or future exposure?

MR. GARVEY: Yes, both.

THE WITNESS: Yes, it was to look at our exposure, certainly.

2. GARVEY:

Okay. Now that we know that there were perhaps two purposes, one of them certainly was to look at your future exposure, especially on the old cases, was there any focus on cases that were pre-catastrophic claims files like the Bearden case where AAA's actual dollars are going to be spent?

Yes, yes.

Okay. All right. Now, the next question is, are you aware of whether or not after all these files were looked at and these are pre-catastrophic claims files as well as post-catastrophic claims files, was there any effort to notify these people that there may have been underpayment?

don't know that.

If that happened, that happened after you left?

cause me, what happened is to say these are branch files, so we would give the recommendation to the

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know it involved AAA, and I believe it was about attendant care in the home and I can't tell you too much more about it.

the Supreme Court even use the word sitter care as definition of what care they were looking at in that case?

don't know.

7. Is it your sense that it dealt with unskilled advisory care?

do you know the date that the Court of Appeals say case came down?

do you know the date that the trial court -- do you know that it involved -- you said you understood that involved supervisory care.

Do you know that the rate was \$8.00

in that the trial court awarded in that case?

do you know when the rate was, no.

do you know the year that the trial court first

did --

30 an hour for sitter care?

when you were handling the file, what were

adjuster or the manager for the follow-up. But we weren't aware -- although, we would probably know if they were going to increase the attendant care because that would increase our exposure for our filing with our reinsured.

Q. Would those records be kept anywhere, can I go to a record and find out for example in the year 1997 how many files, how many files experienced a drastic increase in reserves?

A. Yeah, I don't know. I mean that might -- what would be the reason for the increase in the reserves?

Q. Underpayment of attendant care.

A. Right. Would our financial area have that? I mean I don't really know.

Q. Would there be any records kept in terms of how many people, family members who are taking care of catastrophic brain injured people or catastrophic physically injured people, were informed that they may have been historically underpaid?

A. No.

Q. All right. And you're not aware of any program that was developed to attempt to notify these people?

A. No.

Q. All right. Are you familiar with the Manley decision that involved AAA?

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the Bearden being paid?

A. I'd have to look. I don't know. I don't know if this is the payment file or not.

MS. RULIK: Do you need the payment file?

BY MR. GARVEY:

Q. What did they do with all that information that they gathered when they went to the branches and they -- we got to the point that we agree that one of the main reasons they were doing this; i.e. going to the branches and looking at these old cases, was to figure out future exposure.

What did they do with that information, do you know?

A. It was passed on to the managers normally for follow-up.

Q. To your

A. To the managers of the branch offices, these are branch adjusters. We'd say on this specific file, recommendations to get current medical information to see if the needs are still the same.

Q. But I mean, I'm trying to go up the corporate --

A. Right.

Q. I mean this idea of what your future exposure was, that would seem to me that that would be

number?

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Yes.

And other than just passing that back down to the branch managers, are you saying it didn't go beyond you. Like that information didn't go higher up into the corporate structure. Like, hey, this could be a potentially huge number and what are we going to do about it?

Right. What would happen if we knew it was a potentially large number?

It would be, wouldn't it?

It would be a large number. We'd have to do a filing with our reinsurers because they have to know that also.

So is it your sense that there was a massive filing with your reinsurers raising the reserves on these files?

Massive, I don't know if it was massive, but certainly as they came up we would notify them. We would do a new filing with them. And our financial area would be alerted. It would go across -- usually that report could go across my desk. Reserves over a certain dollar value would have to have approval by at that time my boss?

Is that?

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right. And that was the reason that you in the '90s that there was a push to go back and look at old files?

it.

So my question is now, I assume that in a number of cases, a large number of cases, the reserves had to be raised?

And we increased the reserves and we began to see the payments to the families.

So are you saying that in every case that you felt where you felt that there was a possible exposure that was larger than you had paid because of this evolutionary enlightenment, the rates were actually raised?

I don't know that. As they were raised, then's did our filing with our reinsurer and increased reserves.

I'm saying is, what was raised, your estimates of what had to be paid in the past and in the future? What was actually paid? Do you see what I'm

Let's say you pick up a file like

we look at it and you say, these people are

A. Liz Eganistat.

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Q. Let me ask you something else. Just because a file, these attendant care files, these old attendant care files involving family members taking care of catastrophically brain injured people, just because those files had their reserves raised significantly, doesn't necessarily mean that the family members were informed of that? Question mark. You wouldn't call a family member that you doubled the reserve because the rates looked a little low?

MS. RUMIK: I'm going to object.

Your question is based on the assumption that the reserves were raised because they've been underpaid, as opposed to the reserves were raised because the current rate was being raised and the projected payment over time was going to be more.

MR. GARVEY: I don't see a difference, maybe I'm missing something.

BY MR. GARVEY:

Q. I mean I thought we had agreed that because of this you called it an evolutionary process and an enlightened process on the part of the adjusters and yourself, that you realized that some of these family attendant care people had been underpaid?

A. Yes.

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getting paid \$6.00 an hour for ten years and then they were paid \$8.00, just hypothetically, they were paid \$8.00 an hour for ten years, agency rates are \$21.00 an hour and they never got any cost of living raises on that. We might owe them a large sum of money in the past, and if we have to raise them up to \$21.00 hypothetically, that's a big future exposure that we haven't counted on.

So how would the question one, how would that hypothetical situation assuming it happened affect the reserve; i.e. the past?

Let's say you owe them \$2,000,000.00, \$3,000,000.00 underpayment for past benefits, does that raise the reserve on a file?

A. We were looking at the future. Future reserves.

Q. So you weren't looking at the past?

A. No.

Q. In the insurance business, let's say you look at a file like Searden and it turns out you may owe them \$3,000,000.00 in the past, doesn't that raise the reserves or is that only a future issue?

A. We were looking at the future issues.

Q. You weren't looking at the past?

A. Right.

Q. Now if we

53  
exposure of the company, and in the Bearden case it could be an actual exposure of the company, wouldn't it, because there's no catastrophic claims fund? Well, there is an employer reserve reinsurer, it's just not the MCCA, but you're right, it's a different formula.

11 right. So if you're looking only to the future, then my question would be the same only a little different.

Now hypothetically you've looked at a old file where you've made the determination that there was an underpayment and that you had to significantly increase the reserves to cover the potential future exposure?

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every case was the family notified or was it a hypothetical potential future cost? Do you understand my question?

understand your question, and I don't know about any case. I don't know that. I mean there are literally hundreds of cases, I don't know.

What I'm trying to get again is the global feel for us.

Because you raised the reserve on a file for potential future exposure, does that mean that

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benchmark for setting rates?

No.

Did they ever tell you that it was a statistically significant objective study to determine all rates for attendant care?

No.

Did they say you have to use the rates in this survey?

No.

So it was never intended to be used by you?

MS. KULIK: Objection, you're asking her to speculate. Sorry.

BY MR. MCKENNA:

It was never intended to be used by you in your capacity in setting reserves to be the benchmark, the tool for setting rates; is that correct?

Correct.

And if I'm understanding you correctly, what you have for determining rates is somebody from MMU tells you what the rates are?

That was how they used to do it before the Plante Moran survey.

Now, after the Plante Moran survey, how do you find out what the current rates are?

I haven't followed up.

The Plate Moran survey was done when?

It was presented -  
2001?

- 2001.

All right. When it was done you don't know?

I don't know.

Just when you got it, it was 2001?

Correct.

Since 2001, how do you know what rates MMU says to pay?

They did an updated Plante Moran survey, but I don't really know what MMU paid.

I didn't ask you any of that. I asked you a very simple question.

Since 2001, how do you know what rates to pay?

I don't.

You send these e-mails we've talked about before indicating that when you looked at a file and you see that the same rate has been paid for a year, that you would advise them of what MMU is currently authorizing?

I haven't done it since they did the home care survey in 2001.

So since 2001 you have not advised any adjusters

1 of underpayment?

2 A Correct.

3 Q Did somebody from AAA, before we talked about  
4 Mr. Berkebile and Dick Herman telling you the  
5 don't ask don't tell policy, correct?

6 A Correct.

7 Q Since 2001 has anyone else at AAA told you to stop  
8 sending these e-mails?

9 A I think I discussed it with Patty and it was felt  
10 that everyone in the company had been trained, so  
11 they didn't feel it was necessary anymore.

12 Q When did you speak to Patricia Robins and she told  
13 you to stop sending e-mails?

14 A I believe we talked about it in October when the  
15 training was done. I think it was completed in  
16 November for everybody.

17 Q So since 2001, you haven't sent memos?

18 A No, I haven't.

19 Q Even though you've seen -- strike that.

20 If you see a file that you're  
21 reviewing that pays the same amount year after  
22 year you still don't send memos?

23 A I don't think I've seen anything like that.

24 If I see a file that I think  
25 something isn't right on, I refer it to a manager.

1 Q So you do that by e-mail as well?

2 A Yes.

3 Q And those e-mails, of course, are destroyed just  
4 like the other ones we talked about?

5 A I don't know.

6 Q Well, your destroy yours?

7 A I delete mind, yes.

8 Q You have been reviewing this file, the Bearden  
9 file since when?

10 A '98.

11 Q '98. And your file that you have, would you be  
12 able to tell what rate was being paid to the  
13 Bearden family on an hourly basis?

14 A No.

15 Q Why not?

16 A I was never able to determine that.

17 Q You were never able to determine the hourly rate  
18 the Beardens were being compensated?

19 A That's right.

20 Q Well, if you weren't able to determine the hourly  
21 rate that they were being compensated, you  
22 wouldn't be able to tell what the reserves should  
23 be, would you?

24 A I reserved this claim based on the past history.

25 Q Could you answer my question?

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THE WITNESS: You're asking me  
have I sent any e-mails since --

BY MR. MCKENNA:

Q You sent an e-mail to an adjuster about an  
underpayment since you were told by Patricia  
Robins not to send them anymore?

A No.

Q Even if they were being underpaid, you haven't  
sent another e-mail to an adjuster, correct?

A I don't recall seeing anything like that, but  
correct.

Q The earlier policy that Mr. Berkebile and/or  
Mr. Herman told you about was the don't ask don't  
tell?

A Correct.

Q Correct. And now it's don't tell don't tell?

MS. KULIK: I'm going to  
object to the form of the question.

BY MR. MCKENNA:

Correct?

As far as I'm concerned?

Yes.

That's correct. I don't get involved in it now.

Who at AAA, to your knowledge, is involved in  
insuring if it's not part of your job duty

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anymore, that the adjusters are paying the  
appropriate rates for services provided?

I believe it would be the branch manager.

Now, when you came to AAA in your reserve  
specialist capacity in '97, I think you said that  
there was a study, an intervention I think is what  
you called it, that was either underway or just  
getting started, correct?

Correct.

And then there was another one in 2001?

There was another one sometime between I think it  
was before 2001.

Was it close to 2000, was it in the 2000s, was it  
in the 1990s?

It might have been '99 or 2000, I don't know.

But there were two of them?

Correct.

And I took the depositions of Mr. Berkebile and  
Mr. Herman about why it was AAA was doing this,  
what you call an intervention, and they indicated  
to me that the reason was because there were  
branch offices that were handling as maintenance  
less catastrophic cases and that they were  
addressing problems in the rates that were being  
paid.

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1 Did they ever discuss that  
2 rationale with you as to why these interventions  
3 were being done?

4 A No.

5 Q You were part of some of these interventions at  
6 different branch offices, correct?

7 A Correct.

8 Q In fact, you've even -- and I don't know the  
9 correct term, you've presented cases to the CAT  
10 fund committee on behalf of adjusters?

11 A I don't think I ever presented anything to the CAT  
12 loss committee. I think I took a case to a home  
13 care committee for an adjuster.

14 Q Do you recall testifying that you had handled  
15 cases to the CAT loss committee?

16 A No, I don't.

17 Q On page 62 of your deposition you were asked a  
18 question, "Ma'am, why would you as a reserve claim  
19 specialist presenting a file to the home care  
20 committee?"

21 So you've done it with a home  
22 care, but you haven't presented a file to the CAT  
23 loss?

24 A Correct.

25 Q But you have participated in CAT loss committee

Page 53

1 meetings?

2 A I have attended, yes.

3 Q Why would a person as you described your job  
4 duties that just set reserves go to a CAT loss  
5 committee?

6 A My boss asked us each reserve specialist to attend  
7 three meetings a year.

8 Q Why?

9 MS. KULIK: Objection, you're  
10 asking for speculation.

11 MR. MCKENNA: No, I'm not.  
12 I'm asking her what she knows.

13 THE WITNESS: I'm assuming she  
14 just wants us to keep current on issues.

15 BY MR. MCKENNA:

16 Q What issues?

17 A Issues that would be discussed at the CAT loss  
18 meeting.

19 Q But those issues being discussed at CAT loss  
20 committee would have nothing to do it with what  
21 you're doing as your job, would they?

22 A Not really. The only instance --

23 Q It doesn't make much sense, does it?

24 A No.

25 MS. KULIK: Objection, you're

A Yes.

Q And if you didn't say I don't understand, you would have answered because you understood?

A I think I answered because I thought I understood.

Q Well, at the time you gave an answer --

A I felt I understood.

Q -- you thought you understood the question; is that correct?

A Correct.

Q Do you know where the question is that you're talking about in the deposition?

A It was towards the beginning.

Wait, let me go back. Would you ask that question again?

Q She can read it back to you.

(QUESTION READ BACK)

THE WITNESS: Okay, I'm assuming you're referring to the remark about the back home care?

MR. MCKENNA: You said something about not going back, so I'm going to try to look up not going back.

BY MR. MCKENNA:

Q Do you know who Mrs. Betty --

A Betty Glynn (sp).

1 Did you ever advise Betty to  
2 pay more money than what she was paying?

3 A I told her what the current rate was.

4 Q So you obviously knew at the time what the rate  
5 Betty was paying, correct?

6 A I don't know.

7 Q Well, at the time that you would have been  
8 handling this file, setting reserves, you need to  
9 know what is being paid, don't you?

10 A Well, ideally. I don't always know what's being  
11 paid.

12 Q As part of your job you're supposed to know what  
13 is being paid in order to figure out reserves,  
14 aren't you?

15 A Not necessarily.

16 Q What if they were paying \$400.00 an hour wouldn't  
17 you need to know that?

18 A Well, sometimes I just base it on the past  
19 history.

20 Q My question was, if they were paying \$400.00 an  
21 hour for home care, you would need to know that,  
22 wouldn't you?

23 A It would be good to know that.

24 Q In order to set a reserve?

25 A That would be helpful.

Q -- as it relates to this transcript that you handed me?

A She was an adjuster.

Q Okay. Did you have conversations with Betty regarding this file, the Marr's file?

A I think -- I don't think I had a conversation with her, I sent her an e-mail.

Q I'm sorry, did you communicate with her regarding this file?

A Yes.

Q Is the e-mail attached as Exhibit 1?

A I don't know. I didn't look through that.

Q You didn't look at the attachments?

A No

Q Because it says here in Exhibit 1, it's a wizard mail and it says, "Hi, Betty," that's from you?

A Okay.

Q Is that correct?

A Yes.

Q It says, "We're currently paying 130 a day and appears this is twenty-four hour care. Based on our latest survey we're now authorizing \$8.00 an hour for regular home care. It would probably be a good idea to write to Doctor Pearlman and have him confirm the number of hours."

1 Q Okay. Now, from what I can see in this transcript  
2 it appears that you have sent some e-mails or some  
3 communications anyway in writing to this adjuster,  
4 Betty, and some others.

5 And the question in the  
6 transcript was, did you tell Betty that she owed  
7 Mrs. Marr back pay since she had not been raised  
8 to the present rate. And the answer was,  
9 "Answered: No, I did not."

10 Is that what you were talking  
11 about?

12 A Yes.

13 Q And that was a truthful answer and you understood  
14 that question?

15 A Yes.

16 Q All right. Do you know who Mr. Berkebile and  
17 Mr. Herman are?

18 A Yes, I do.

19 Q And they were management at MMU at the time?

20 A Yes.

21 Q And according to your answer here, "Question: Why  
22 not?

23 Answer: Because it was the  
24 position that we didn't pursue back payments  
25 unless it was requested."



1 Is that part of what you  
2 reviewed this morning?  
3 A Yes.  
4 Q And that was a question you understood?  
5 A Yes.  
6 Q And the answer was truthful?  
7 A I was answering truthfully at the time. I'm not  
8 so sure it was correct.  
9 Q Was the answer truthful?  
10 A It was what I felt to be the truth.  
11 Q And then to explain what you felt to be the truth,  
12 you were asked the question, quote, "And who's  
13 position was that?  
14 Answer: I was told that by  
15 management and MMU."  
16 A Correct.  
17 Q And then to be even more certain of what you knew  
18 to be the truth, you identified Mr. Herman and  
19 Mr. Berkebile as the people at MMU that told you  
20 that?  
21 A Correct.  
22 MS. KULIK: What page are you  
23 on, Counsel?  
24 MR. MCKENNA: That's 44.  
25 BY MR. MCKENNA:

1 Q And those were all questions you understood?  
2 A Yes.  
3 Q Those were all questions you answered honestly and  
4 truthfully?  
5 A Yes.  
6 Q By the way, have you given a deposition since this  
7 deposition?  
8 A Yes.  
9 Q And has anyone else asked you about this  
10 transcript?  
11 A No.  
12 Q Now, when did Mr. Berkebile and Mr. Herman  
13 supervise you at MMU, what time period?  
14 A I worked for Mr. Berkebile when I came to the unit  
15 in September of '97, and I believe Betty Robins  
16 took over as my manager in December of '97.  
17 Q Okay. What about Mr. Herman?  
18 A I never worked directly for Mr. Herman.  
19 Q Okay. Was he a manager or a supervisor at MMU?  
20 A He was a manager at MMU.  
21 Q And I take it if he told you to do something, you  
22 would do what he told you to do?  
23 A Yes.  
24 Q And if Mr. Berkebile told you to do something, you  
25 would do what they told you to do?

1 A Yes.  
2 Q I take it in your position you can have from what  
3 we've talked about here on Marr so far without  
4 even getting to Bearden, you have contact with  
5 adjusters and you can tell them what the position  
6 of MMU is?  
7 A I don't do that now, but at that time I did, if it  
8 was something I was familiar with.  
9 Q Well, for example, I've seen some e-mails, wizard  
10 e-mails or writings from you on the Marr file,  
11 correct?  
12 A Yes.  
13 Q They're attached as Exhibits?  
14 A Yes.  
15 Q And that's you communicating with adjusters,  
16 telling them what MMU says to pay?  
17 A Yes.  
18 Q Are you familiar with a study that was done, a  
19 survey or a -- what do they call it?  
20 MS. KULIK: By Plante Moran?  
21 BY MR. MCKENNA:  
22 Q An audit that was performed by MMU, where they  
23 sent people to every branch to review catastrophic  
24 claims?  
25 A It wasn't an audit. They were called a branch

1 intervention meeting.  
2 Is that what you're referring  
3 to?  
4 Q Yes.  
5 Do you recall MMU sending MMU  
6 people out and meeting with the branches, every  
7 branch in the State of Michigan to review or go  
8 over catastrophic claims?  
9 A Yes.  
10 Q And who's idea was that?  
11 A I don't know.  
12 Q Do you know when that first occurred?  
13 A No.  
14 Q Do you remember whether it was in the '90s or  
15 2000?  
16 A It was -- I got there in September of '97, and  
17 they were doing it at that time.  
18 Q Do you recall if they did it again after September  
19 of 2000, or I'm sorry, you said September of '97?  
20 A Yes.  
21 Q Do you remember if they did it again after  
22 September of '97?  
23 A Yes.  
24 Q Do you remember if they've done it more than --  
25 MS. KULIK: I'm going to

made incremental changes.

Q But you don't now whether it was because someone specifically asked for that?

A I don't know.

Q The policy I'm asking about is the one don't ask, don't tell that Mr. Berkebile and Mr. Herman told you about, correct?

A Correct.

Q So what I'm saying to you that policy if they don't specifically ask, you don't specifically tell, to your knowledge that was the policy for AAA for people like yourself in reserves as well as adjusters, correct?

A If that's what I was told. I don't know what they told anybody else.

Q And to your knowledge has that policy or that procedure ever changed?

A I don't know.

Q To your knowledge it hasn't changed?

A To my knowledge it hasn't.

Q And you've never received anything in writing, seen a memorandum, seen anything indicating that there's been a change in that policy with AAA?

A Correct.

Q Now, this don't ask, don't tell policy, affects

all of the benefits that an insured would be entitled to, doesn't it?

A That's the only instance I was ever told not to tell anybody anything.

Q From a first party standpoint, back payments of benefits would affect don't ask, don't tell, would affect every type of benefit, whether you saw that it was the hypothetical we have is underpayment of attendant care, correct?

A Correct.

Q You're aware that there are other first party benefits that AAA would owe to an insured?

A Correct.

Q Medical mileage, replacement services, wage loss, a sundry of things, correct?

A Correct.

Q That policy would apply to all of those benefits if they didn't ask, don't tell, about back payment, correct?

A I don't know. I never asked about anything else.

Q So the only thing you ever asked about was the attendant care?

A Correct.

Q What about room and board, do you set reserves based on future room and board payments?

1 A If somebody's paying room and board I do.

2 Q Well, what if they're ordered to pay room and board, do you set reserves based on that?

3 A What do you mean ordered to pay?

4 Q You know what litigation is?

5 A Yes.

6 Q I've got different records here from you where you indicate that you're aware there's litigation pending, correct, and you make adjustments to reserves based on orders in the litigation, correct?

7 A Correct.

8 Q Now, room and board if it's ordered to be paid, in a case where it wasn't being paid, does that mean you change the reserves?

9 A Yes.

10 Q In this particular case are you aware -- strike that.

11 Are you still handling this file?

12 A I'm still doing the reserving on it, yes.

13 Q Have you been given a copy of the court's order regarding payment of room and board benefits on this file?

14 A No.

1 Q Why not?

2 MS. KULIK: Objection, calls for speculation.

3 THE WITNESS: That's not something I normally get.

4 BY MR. MCKENNA:

5 Q Well, in a litigation file you need to know what the court has ordered to be paid, don't you?

6 A The attorneys would let me know what they need in reserve.

7 Q But you should have if the court has ordered a benefit to be paid, a back benefit, in fact, to be paid in order to set reserves properly, you should have that information?

8 A Yes, I wouldn't necessarily need to see it myself.

9 Q You would need to know it was ordered?

10 A I would need to know.

11 Q Did anybody ever tell you that room and board benefits were ordered on this file?

12 A No.

13 Q So you wouldn't be able to set reserves correctly without that information?

14 A Counsel has given me a figure that they wanted reserved, so.

15 Q I didn't ask you that.

14 and you didn't pay them, that's your fault,  
 15 correct?  
 16 A Yes.  
 17 Q It's also their fault if they don't catch you not  
 18 paying benefits by supervising and reviewing  
 19 files, correct?  
 20 A Correct.  
 21 Q But when AAA intentionally does not tell you about  
 22 a benefit that is available, who's fault is that?  
 23 MR. VANTONGEREN: Same  
 24 objection, it assumes facts not in evidence.  
 25 THE WITNESS: I would say AAA.

0050

1 BY MR. MCKENNA:  
 2 Q Now, AAA you said would send you materials from  
 3 the Court of Appeals, Supreme Court, changes in  
 4 the law on a frequent basis, whenever that  
 5 occurred they'd send that stuff to you as part of  
 6 your continuing education, correct?  
 7 A Yes.  
 8 Q And you would have known whether you had been  
 9 given information on the room and board, because  
 10 that's something that would directly impact your  
 11 job, correct?  
 12 A Yes.  
 13 Q And you were never given anything from AAA up  
 14 through 2002 on room and board?  
 15 A Not that I recall, no.  
 16 Q And after 2002, did AAA give you anything as far  
 17 as continuing education materials on room and  
 18 board benefits?  
 19 A Not that I recall, no.  
 20 Q So you had this conversation in 2002 with somebody  
 21 from MMU. You didn't follow-up on that and get  
 22 educated on what room and board benefits were; is  
 23 that correct?  
 24 A Correct.  
 25 Q And since leaving Franklin, you've gone back to

0051

1 adjusting files?  
 2 A Yes.  
 3 Q Have you ever paid room and board on a claim?  
 4 A No.  
 5 Q Even to today?  
 6 A Correct.  
 7 Q Are you aware that in order to collect room and  
 8 board there are certain tests or thresholds that  
 9 have to be met?  
 10 A No.  
 11 Q So if a catastrophic injured plaintiff was  
 12 entitled to make a room and board benefit claim  
 13 and you were handling that claim, you did not  
 14 inform them of their entitlement to that benefit?  
 15 A No.  
 16 Q Now, given what you're telling me that you didn't  
 17 know and you work for AAA and you've been trained  
 18 by AAA on the policy and the No-Fault Act, would  
 19 you have expected your insureds to have known of  
 20 the existence of that benefit without you telling  
 21 them?  
 22 A No.  
 23 Q Would you agree that your insureds rely on your  
 24 representations as their claims adjuster as to  
 25 what benefits and claims they're entitled to make?

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1 MR. VANTONGEREN: Objection  
 2 form of the question, it calls for speculation.

3 BY MR. MCKENNA:

4 Q Go ahead.

5 A Okay, I'm sorry, would you repeat the question?

6 Q Would you agree that your insureds rely on your  
7 representations to them of what claims and  
8 benefits they're entitled to make?

9 A Yes.

10 Q Would you agree that you know that when you tell  
11 them what claims and benefits they're entitled to  
12 make, that when you tell them that they should  
13 reasonably rely upon your representations?

14 MR. VANTONGEREN: Same

15 objection.

16 THE WITNESS: Yes.

17 BY MR. MCKENNA:

18 Q Do you ever tell an insured when you inform them  
19 of entitlement to a benefit or not being entitled  
20 to a benefit that they shouldn't trust you?

21 A No.

22 Q You wouldn't, for example, say I'm not going to  
23 pay this benefit, but don't trust a thing I say,  
24 go get a lawyer. You would never say that to  
25 them, would you?

0053

1 A No.

2 Q You would expect them based on what you're telling  
3 them to rely on your representation, correct?

4 A Correct.

5 Q So when AAA tells an insured through its adjuster,  
6 these are all of the benefits that you were  
7 entitled to, that insured or that insured's family  
8 should reasonably expect to rely on that  
9 information as being accurate and truthful?

10 A Yes.

11 MR. VANTONGEREN: Same

12 objection.

13 BY MR. MCKENNA:

14 Q And you have been trained by AAA as a claim  
15 representative that AAA understands that when you  
16 tell the insureds things, they will rely on your  
17 representation, you've been taught that?

18 MR. VANTONGEREN: Objection as  
19 to the vagueness on representation. There hasn't  
20 been any showing that she's represented herself as  
21 any kind of an expert.

22 MR. MCKENNA: Ma'am, let me  
23 rephrase the question.

24 THE WITNESS: All right.

25 BY MR. MCKENNA:

0054

1 Q You have conversations with insureds on new files  
2 from day one, transferred files, correct?

3 A Correct.

4 Q Those conversations you have with them, you expect  
5 that insured to listen to what you're saying and  
6 trust you?

7 A Yes.

8 Q Do you intentionally lie to insureds?

9 A No.

10 Q Do you expect an insured to believe that what  
11 you're saying is not truthful?

12 A No.

13 Q Do you ever tell an insured that I'm telling you  
14 this, but it's a load of crap and you should get a  
15 lawyer?

16 MR. VANTONGEREN: Object to  
17 the form of the question.

18 THE WITNESS: No.  
19 BY MR. MCKENNA:  
20 Q Do you ever tell an insured, I'm going to tell you  
21 something, this is the company's policy, I don't  
22 agree with it, you should get a lawyer?  
23 A No.  
24 Q Did you ever tell them, I'm not allowed to tell  
25 you what all of your benefits and claims are, you  
0055 should get a lawyer?  
1 A No.  
2 Q Do you ever tell them you should get a lawyer?  
3 A No.  
4 Q Do you ever tell an insured, I know more about the  
5 No-Fault Act than you do and your claims, I can't  
6 tell you everything, you should get a lawyer?  
7 A No.  
8 Q Now, you were taught by AAA to interpret the AAA  
9 policy, correct?  
10 A Yes.  
11 Q Now, are you familiar in the policy where it says  
12 if you are injured arising out of the use,  
13 operation or maintenance of a motor vehicle we  
14 will pay, are you familiar with that part of the  
15 policy?  
16 A Yes.  
17 Q And then it lists things that we will pay, medical  
18 benefits, replacement services and wage loss,  
19 correct?  
20 A Yes.  
21 Q But it doesn't specify in the policy what all of  
22 the medical benefits are, does it?  
23 A No.  
24 Q That is where when the insured gets in an  
25  
0056 accident, okay, and they have a AAA policy, until  
1 they get in an accident, you as the claims  
2 adjuster don't have any responsibility to tell  
3 them what their benefits are, do you, in other  
4 words the accident has to happen first before you  
5 have an obligation to do anything, correct?  
6 MR. VANTONGEREN: I object.  
7 THE WITNESS: Yes.  
8 MR. VANTONGEREN: It misstates  
9 the law as to whether she had an obligation to  
10 tell all the benefits.  
11 MR. MCKENNA: I'd haven't  
12 gotten there.  
13 BY MR. MCKENNA:  
14 Q Your policy on what you were trained, is that once  
15 this condition -- do you know what a condition  
16 precedent is?  
17 A No.  
18 Q A condition that occurs first. There's a  
19 condition that has to occur first before AAA has  
20 to pay any benefits, correct?  
21 A Yes, an accident.  
22 Q An accident involving the use, operation or  
23 maintenance of a motor vehicle as a motor vehicle?  
24 A As a motor vehicle.  
25  
0057 1 Q Right?  
2 A Right.  
3 Q And the policy has to be paid or in effect, right?  
4 A Correct.  
5 Q Or a priority issue, someone living in a household  
6 with a relative?

telling them because you  
 didn't know or AAA not  
 telling them because they  
 gave somebody a file that  
 didn't know what they were  
 doing, correct?"

BY MR. MCKENNA:

Q That's unreasonable?

A I guess I don't like that saying that I didn't  
 know what I was doing. I knew what I was doing,  
 but didn't know about a specific benefit.

Q Well, you knew what you were doing to the level of  
 your knowledge?

A Yes.

Q But not knowing all of the benefits, would have  
 you doing a job that you didn't know all of what  
 you were doing?

A No, I did not know all of the benefits available.

Q And that would be unreasonable, wouldn't it, to  
 not tell somebody because of your lack of  
 knowledge or AAA's decision not to inform you?

A Yes.

0071

Q Correct?

A Yes.

Q Now, with respect to your insureds, you create a  
 relationship with them when you handle a file,  
 don't you?

A Yes.

Q You foster a relationship of trust and confidence  
 with them, don't you?

A Try to.

Q I mean from the beginning that is what you were  
 trying to establish, correct?

A Correct.

Q You want them to rely on you, correct?

A Yes.

Q You don't tell them you need to get a lawyer to  
 explain to you these benefits, you don't say that?

A No.

Q You want to foster a relationship where the  
 insured gets in an accident, where the family of  
 the insureds that's been involved in the accident  
 can trust and rely upon you as the claims  
 representative to inform them of all of their  
 benefits, correct?

A Correct.

Q That is the goal that you have been taught to

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establish by AAA with your insureds and their  
 families, correct?

A Correct.

Q Not one where they distrust you or the company and  
 go hire a lawyer, correct?

A Correct.

Q So you don't tell them, we will not tell you all  
 of the benefits that you're entitled to, do you?

MR. VANTONGEREN: Object to  
 the form of the question.

BY MR. MCKENNA:

Q You don't tell them that, do you?

A No.

Q You expect them to establish a friendly  
 relationship, a trusting relationship with you,  
 correct?

A Correct.

Q And then because of that trusting relationship you

19 expect them to rely on everything you tell them  
20 about their benefits, correct?  
21 A Yes.  
22 Q And once you start that relationship of trust, has  
23 AAA told you you can discontinue it?  
24 A No.  
25 Q Has AAA told you that once you get them into this  
0073 relationship of trust where they rely on what you  
1 tell them, that you should then tell them, by the  
2 way for some of these benefits you need to go get  
3 a lawyer?  
4 A No.  
5 Q Has AAA told you that the purpose in your training  
6 that the purpose of establishing the No-Fault Act  
7 was to do away with the adversarial process of  
8 having lawyer and an insurance company fighting  
9 over these benefits?  
10 A No.  
11 Q That they were supposed to be paid through  
12 No-Fault, whether it was your fault in the  
13 accident or someone else's, that you would go to  
14 your own insurance company and you should trust  
15 them, did they tell you that?  
16 MR. VANTONGEREN: Object,  
17 assumes facts not in evidence.  
18 THE WITNESS: I don't know  
19 that.  
20 BY MR. MCKENNA:  
21 Q Is it your goal, has it been your goal as an  
22 adjuster to get all of your insureds to trust you?  
23 A Yes.  
24 Q And in that confidence of trust, that special  
0074 relationship that you create with them, you then  
1 inform them of what benefits you believe they're  
2 entitled to?  
3 A Yes.  
4 Q And in that role of trust and confidence building  
5 between you and the insured, you don't expect them  
6 to go get a lawyer, do you?  
7 A No.  
8 Q You want them to rely on you whether you are right  
9 or you're wrong?  
10 MR. VANTONGEREN: Object to  
11 the form of the question, it seems vague. She  
12 hasn't indicated that she offers legal opinions.  
13 MR. MCKENNA: Neither have I.  
14 MR. VANTONGEREN: You're  
15 suggesting it.  
16 MR. MCKENNA: No.  
17 BY MR. MCKENNA:  
18 Q You want them to rely on your representation of  
19 their entitlement to benefits or claims, whether  
20 you're right or wrong, don't you?  
21 Is that a yes?  
22 A Yes.  
23 Q In addition to room and board benefits, are you  
24 familiar with guardianship benefits?  
25  
0075 1 MR. VANTONGEREN: Could you be  
2 more specific?  
3 BY MR. MCKENNA:  
4 Q Are you familiar with the fact that AAA would have  
5 to pay for guardianship fees?  
6 A Yes.  
7 Q Are you familiar with the fact that AAA would have

1 these claims in terms of payment specifically for  
2 attendant care?

3 A. No. My job is -- when I became a manager  
4 was over claims -- we weren't called claims  
5 reinsurance then, but it was over this reinsurance  
6 portion and the clerical staff, so my management  
7 duties were not necessarily over the adjusters.

8 Q. Well, were you ever in a position at AAA  
9 to make determinations as to the adequacy of payment.  
10 let's say to a family member providing family  
11 attendant care?

12 A. When I was an adjuster I handled my own  
13 cases and I would have looked at it. I looked at  
14 the home care payments.

15 Q. All right. Then when you say looked at the  
16 home care payments, would you mean that it was your  
17 job to know what the law was, to inform what the  
18 insured what the law was and to be sure they were  
19 receiving benefits consistent with Michigan no-fault  
20 law?

21 A. It was my duty to explain benefits to the  
22 insured and make sure that I was paying the  
23 appropriate rate, yes.

24 Q. All right. And how did you know what the  
25 appropriate rate was for family attendant care during

1 insured, if things had changed.

2 Q. Well, what about in some of these cases  
3 that are going on for 10 or 15 years and you looked  
4 at the rate in 1978 and it's now 1988, you wouldn't --  
5 the rate that the agency is paying its workers has  
6 gone up in a 10 year period generally, wouldn't it?

7 A. Yes.

8 Q. So part of your job is to make sure that  
9 that rate is increased as time goes on; would that be  
10 fair to say?

11 A. Yes, but you wouldn't just consider the  
12 rate going up, you would still have to continue with  
13 your investigation of what all the needs were, if  
14 there had been any other changes on the case.

15 Q. Yeah, you would do the same thing you did  
16 in the beginning. You'd look at what the needs were  
17 by talking to the family and the doctor and then you  
18 would go to the aide agencies and find out what  
19 they're paying their people. It's the same process.  
20 it's just that you're doing it over and over again?

21 A. Is that a question?

22 Q. Yeah, question mark.

23 A. You would continue to investigate it any  
24 time you would make any kind of changes.

25 Q. But the investigation would be the same as

1 the time that you were responsible for that  
2 information and advice?

3 A. I would call agencies and see what they  
4 were paying their aides, I'd investigate it by talking  
5 to the doctor to see what kind of care they needed,  
6 talk to the family to see what was being done.

7 Q. Okay. So it was basically a three pronged  
8 process, you had to find out what care was needed and  
9 you got that basically from the doctor and the family,  
10 and then you would go to agencies that provide that  
11 care and you would figure out what the rate was that  
12 they were paying their workers for like care; is  
13 that right?

14 A. Yes.

15 Q. And then you would advise the family that  
16 that's the rate that they were entitled to?

17 A. Yes.

18 Q. And then you would pay that rate?

19 A. Yes.

20 Q. All right. And then you would review that  
21 at six month intervals to be sure that the rate was  
22 being paid appropriately?

23 A. As you were handling your file you would  
24 review it as there was material changes or if there  
25 was any other -- you know, based on the need of the

1 the initial investigation, it's just an update, what  
2 are the needs and what are the agencies paying their  
3 employees for like services?

4 A. Yes.

5 Q. And the concept always has been that AAA  
6 pays -- strike that.

7 The concept always has been that  
8 AAA doesn't take advantage of family members providing  
9 services, the family members are entitled to the same  
10 pay that an agency employee receives?

11 A. AAA would not take advantage of their  
12 insureds.

13 Q. That wouldn't be right?

14 A. No.

15 Q. So to answer my question, though, what that  
16 means in your mind is that the family member would  
17 always be paid what the agency employees get paid; in  
18 other words, they shouldn't get any less than an arm's  
19 length employee of an agency for the same service?

20 A. Yes.

21 Q. All right. And that's always been AAA's  
22 position since you've been here?

23 A. It's always been one of the things we have  
24 looked at, yes.

25 Q. Well, is it your understanding that the



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to answer that.

Q. Well, I'm not asking if you've seen one.

A. I don't know what the process is because I haven't had any.

Q. All right. Now, the reserves that are established when you went to do the -- you didn't call it auditing, but you called it the branch intervention -- would that have been at the request of reinsurers and/or the cat fund that the branch intervention occurred?

A. Not to my knowledge.

Q. And you're currently a manager at medical management unit?

A. Right.

Q. Have you ever had a reinsurer ask you for justification on any files since you have been with the medical management unit as a manager?

A. On the MCAA.

Q. Never to a reinsurer?

A. No.

Q. Have you reviewed reports to reinsurers on catastrophic claims since you've been a manager with medical management unit?

A. No.

Q. Are you aware that there are reports that

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A. Of the new rate, yes.

Q. That there's been an underpayment?

A. That they should adjust the rate.

Q. Okay. Now, you understand that an insured is going to rely upon AAA's adjusters in understanding what benefits they are entitled to?

MS. KULIK: Object to the form and foundation of that.

You can answer if you can.

A. In some cases they rely on AAA.

BY MR. McKENNA:

Q. Well, when you were trained as an adjuster early on, you were told that you're going to explain these benefits to your insureds, weren't you?

A. Right.

Q. And you were told at that point they're going to rely on you to tell them what they're entitled to?

A. No, they never said the insured was going to rely on us.

Q. Well, is it your experience that the insureds rely on you to tell them what they're entitled to?

A. Some people had attorneys before we even had a chance to call them, so in those cases, no.

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have been generated by other -- on files that are in medical management unit that other managers are handling?

A. No.

Q. So to your knowledge in all of the time you've been a manager of medical management unit you've never heard of a reinsurer asking for a report on a claim?

A. I've never been involved in any or seen any the whole time I've been with AAA.

Q. My question was: Are you aware from talking with other managers that there have been? You haven't seen it, you haven't heard it, no one's told you that they have been requested?

A. I can't think of a situation where I heard it, no.

(An off the record discussion was held).

BY MR. McKENNA:

Q. Is it your understanding that in these interventions that Mr. Garvey discussed with you that when you find an underpayment, it's the obligation -- assuming everybody in that room agreed there was an underpayment -- that at that point it's the obligation of the adjuster to inform the family?

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Q. I'm not asking you about specific individual cases. In general, is it your understanding in what you have heard and have been taught at AAA that your insureds are primarily going to rely on the adjuster, the first person they contact with AAA, to give them the knowledge of what they're entitled to?

A. I have not been taught that they're going to have to rely on us. I believe that the expectation is to explain the benefits that they're entitled to.

Q. It wouldn't be unreasonable then for insureds to trust and then rely on statements by adjusters as to what benefits they are entitled to?

A. Right.

Q. And when it occurs that you find an underpayment at the point in time where everyone is agreeing to it, isn't it the obligation then of the adjuster to go back and find out how long it's been underpaid?

A. You have to look at each claim individually to see the circumstances to know how far back to actually go.

Q. I'm not asking about the specifics. I'm asking in general. You have now got a consensus at the table and everyone is in agreement that there's an

containment?

A. No, it was done for people to be able to identify what the issues are with these people because they have unique issues, needs, equipment needs, home.

Q. My question was: Is part of the reason for doing that -- is one of the reasons, any part of a reason cost containment?

A. To my knowledge it wasn't brought up because of cost containment.

Q. Okay. You have specifically been trained, you told me, about budgeting issues with AAA, management unit issues with AAA and different seminars in your training. I had a couple of business classes and got a degree in it myself. When you organize departments like this, there's a reason for it and it always -- one of them always comes down to being cost. It's always more efficient to operate that way than in the individual branches. Are you saying as a manager of medical management unit you don't know whether this is a cost containment issue now?

A. I'm telling you that I've never heard that it was set up as a cost containment issue.

Q. I'm not saying that was the issue. I'm asking in part -- AAA doesn't do anything without them

1 anything that doesn't go through a cost benefit  
2 analysis?

3 A. Yeah, things happen that don't go through  
4 a cost benefit analysis.

5 Q. Such as?

6 A. Employees might get moved to a location  
7 because you don't want to risk -- well, I guess you  
8 would call that cost benefit analysis.

9 Q. Everything the company does has a cost  
10 benefit analysis, doesn't it?

11 A. No, I'm not going to say everything.

12 Q. You don't need to answer that for me.

13 MS. KULIK: Good.

14 BY MR. McKENNA:

15 Q. Even Karen recognizes that one.

16 MS. KULIK: Off the record.

17 (An off the record  
18 discussion was held).

19 BY MR. McKENNA:

20 Q. All right. I'm trying to finish the area  
21 that we're talking about with the different levels --  
22 or call them levels two, three, medical management  
23 unit. Would you agree that by having an organization  
24 this way with people dealing with the special issues  
25 that you shouldn't have a situation where an adjuster

1 justifying the cost for it. Is part of -- or is part  
2 of the reason for doing it better cost control?

3 MS. KULIK: To the best of your  
4 knowledge.

5 BY MR. McKENNA:

6 Q. To your knowledge?

7 A. I don't know.

8 Q. Right now as a manager at AAA in medical  
9 management unit, would you agree that the setup the  
10 way it is now gives better cost control to AAA than  
11 the previous setup that you were familiar with?

12 A. I don't have any reports to know if it's  
13 controlled costs any differently.

14 Q. I didn't ask you about empirical data for  
15 it. I asked you your opinion as a manager. Do you  
16 believe that it is much -- it is more cost efficient  
17 or gives more cost control to the company to have it  
18 set up the way that it is now?

19 A. I don't know.

20 Q. Well, you can give me --

21 MS. KULIK: I think the witness has  
22 answered the question. She has no personal knowledge  
23 and she has no opinion that --

24 BY MR. McKENNA:

25 Q. Are you familiar with AAA ever doing

1 is dealing with a catastrophically injured person and  
2 the adjuster doesn't understand what benefits the  
3 insured is entitled to?

4 A. I would agree.

5 Q. Whether you want to call it auditing or  
6 used the branch intervention term, the adjuster or the  
7 claims specialist, as you call them, in the medical  
8 management unit has supervisors and then managers and  
9 there's managers or regional managers over the top of  
10 all these people. somebody should be aware of abuse on  
11 a file whether it's from willful conduct or neglect  
12 and the payment of benefits to insureds, shouldn't  
13 they?

14 A. I would think if you're saying something is  
15 an obvious thing, they should know, yeah.

16 Q. Is it something that is an obvious thing  
17 that AAA adjusters or claims specialists would know  
18 that from year to year their rates that are paid are  
19 increased because of cost of living, increases from  
20 year to year?

21 A. Yes, I would have to say the amount would  
22 be something that might not be obvious but knowing  
23 that an increase is likely, yeah.

24 Q. So from year to year there should be a  
25 review of what rate is being paid?

1 A. Right. That's where I indicated earlier  
2 that ~~was~~ would review annually.  
3 Q. There shouldn't be a period of time for 10,  
4 12 years where someone is paid the same rate?  
5 A. Today there shouldn't be.  
6 Q. And the reason it shouldn't be today is  
7 because the company has taken steps to make sure  
8 adjusters, supervisors and managers are all looking  
9 at things to make sure the insureds aren't being  
10 mistreated?  
11 A. Right.  
12 Q. And you would agree with me if the company  
13 did that today, your company could have done it  
14 yesterday?  
15 MS. KULIK: Object to the form of  
16 the question.  
17 BY MR. McKENNA:  
18 Q. We're talking about management policies  
19 that were --  
20 A. I don't know what might prompt changes in  
21 policies.  
22 Q. You were trained in management principles?  
23 A. Right.  
24 Q. Budgeting?  
25 A. Right.

1 Q. We are not talking about rocket science  
2 where somebody invented a new atom, I'm talking about  
3 the way the company looked at payment and treatment of  
4 benefits to insureds, correct? All I'm talking about  
5 is the review process to make sure insureds are being  
6 paid a fair market rate from year to year. The only  
7 issue right now I'm dealing with now is you said today  
8 they should never be paid the same rate they were paid  
9 10 or 12 years ago?  
10 A. Yes, if I am answering your question from  
11 that point, we should have been reviewing it.  
12 Q. Foundation of your answer was that today we  
13 have supervisors and managers, regional managers  
14 looking over these things and this shouldn't occur,  
15 right?  
16 A. Right.  
17 Q. My question to you is in the past to --  
18 prevent these abuses from occurring, AAA could have  
19 established the same type of management principles?  
20 A. Yes.  
21 Q. And by not doing that in the past whenever  
22 insureds were underpaid, AAA benefitted as a company?  
23 A. I guess that's a way of looking at it.  
24 Q. Well, the less they pay out, the more they  
25 have, correct?

1 A. I think it was something nobody identified.  
2 Q. Is that correct?  
3 MS. KULIK: I'm going to object  
4 to the form of the question and to the foundation.  
5 BY MR. McKENNA:  
6 Q. Ma'am, as a company when AAA pays money out  
7 whether it's to a doctor, to a family member, whatever  
8 the amount is, that's less than they have the next  
9 day, isn't it?  
10 A. Right.  
11 Q. And the more they keep but they don't pay  
12 out, whether it's from willful neglect or ignorance or  
13 intention, the more they have the next day?  
14 A. Right.  
15 MS. KULIK: Again I object to the  
16 form of the question and the foundation in that it  
17 ignores reimbursement.  
18 BY MR. McKENNA:  
19 Q. The last area I want to deal with, the  
20 absolute last area, I asked you a question earlier and  
21 it wasn't quite the answer I wanted. When an adjuster  
22 or supervisor, manager, regional manager finds an  
23 underpayment on a file, the adjuster should go back in  
24 theory and look to see how far back it goes. You then  
25 said me personally, I wouldn't go back beyond one year

1 from the time I discovered it without being told by  
2 somebody in legal what to do. Is that an accurate  
3 recital of what you said earlier?  
4 A. What I -- first of all, I don't know.  
5 Q. Is that an accurate recital of your --  
6 A. Well, no, I don't feel it is, but I would  
7 ask if we owe anything beyond the one year going back  
8 one year.  
9 Q. You're going to legal as an adjuster --  
10 A. Right.  
11 Q. -- as a manager, a supervisor and you're  
12 asking them a question about the handling of this  
13 file --  
14 A. Right.  
15 Q. -- and you tell them -- assuming that you  
16 would tell them we have discovered somebody screwed  
17 up, there was a mistake made, an underpayment.  
18 A. There could have been an attorney  
19 representing the person.  
20 Q. I'm not even saying -- you have discovered  
21 it.  
22 A. Right.  
23 Q. Everyone at the table -- I'm trying not to  
24 go over the same things again.  
25 MS. KULIK: Before you get the

1 Q. All right. Was I right?

2 A. Yes.

3 Q. But you would agree that the test, that the global way  
4 that AAA looked at the attendant care issue in the '80s  
5 was market rate, that was what the law said you had to  
6 pay, right?

7 A. The law?

8 Q. Yes.

9 A. The No-Fault Law said we had to pay market rate?

10 Q. Yes.

11 A. I don't know that the law said that.

12 Q. Okay. We'll talk about that.

13 You would agree that AAA's position  
14 at least was that the appropriate payment to a family  
15 member providing attendant care is a market rate,  
16 that's the test?

17 A. Yes.

18 Q. Okay. Would you agree that under certain circumstances  
19 the family is entitled to be paid what the agency does  
20 charge as opposed to what the aide gets?

21 A. Yes.

22 Q. And what circumstances are those?

23 A. Well, that has evolved over time. AAA now does pay  
24 what the agency rates are.

25 Q. In every case?

Q. And why were they  
whether they were paid the agency rate or the aide  
rate?

A. A lot of it had just really evolved over time. I think  
there were some cases, number one, that, you know,  
cases that were -- I'm not saying that AAA necessarily  
lost, but that were cases that showed the families  
should be paid agency rates. So that was really the  
change that had evolved and the adjuster began to get  
agency rates and pay according to that.

Q. You mean the family members began getting agency rates?

A. Well, the adjuster would also call and get a rate.

Q. From you?

A. No. They would call agencies and find out what the  
agency rate was.

Q. Okay. And that was before the study that was done by  
the accounting firm?

A. Yes. I think that was going on after I left.

Q. Okay. So did you notice -- well, let me ask you this.

What was your job as a manager of  
the medical management unit, what was your role?

A. I had three supervisors. Mine was administrative.  
There were three supervisors that looked at the claims  
of the adjusters on a daily basis, and they managed the  
adjusters and their claims.

29  
difference or to make a change. And you indicate that you were an adjuster.

Was it your responsibility to take the claims that came in and to adjust each of the claims?

It was my job to adjust the claim, but I don't agree that it was to -- you used a term what did you say? To make a difference to make a change.

To change it. It wasn't to change it, no.

So if a claim came in that for example had a \$100.00 claim value to it and someone came in and gave you that, would you always just pay the amount that was being asked for or would you look at it to see whether or not there was a way to adjust and determine that that was, in fact, a reasonable rate, a fair rate? If it was a reasonable customary rate for the service or the product it would get paid.

Would you agree that in order -- if you're adjusting from that standpoint, and I think we've already covered that you had to be educated and taught what the No-Fault Act was, correct?

Yes.

You would then have to be able to determine what is a reasonable and customary rate for the claims and services that are being submitted to you, correct?

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31  
overpaid.

So there would be as we talked earlier everything that happens on the file should be documented, right? Should be.

Okay. So if there's an overpayment and you discover it, that may go to your knowledge of the product, correct?

Yes.

It may go to the way you're timely handling a file, correct?

Yes.

And it may go to your ability to manage the file, correct?

Yes.

And let's for example say somebody else overpaid a file and you were reassigned that file.

When you get that file, if you're going to be responsible for it, you would want to know anything that transpired on that file before you got it, wouldn't you?

That reason.

I'd want to know what the injuries were for this person, correct?

Would want to know the date they were injured.

30  
1 A. Yes.

2 Q. And that you are essentially an employee of the  
3 insureds, they own the company and you work for the  
4 company, correct?

5 A. Yes.

6 Q. Your responsibility as an adjuster would be to also  
7 make sure that your insureds knew what their rights  
8 were?

9 A. Yes.

10 Q. So when an insured gets into an accident, under the  
11 No-Fault Act and under a AAA policy where they're  
12 injured arising out of the use, operation or  
13 maintenance of a motor vehicle, you would then as the  
14 claims adjuster inform them of all of the claims and  
15 rights that they have, correct?

16 A. Yes.

17 Q. Have you ever in the process of adjusting a claim  
18 overpaid someone?

19 A. Yes.

20 Q. And in the process of overpaying them and you  
21 discovered that they've been overpaid, what is your  
22 responsibility as the employee of AAA adjusting the  
23 claim, what do you, you just found out you overpaid  
24 someone?

25 A. You have to try to document as to why and how it got

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32  
1 correct?

2 A. Yes.

3 Q. You would want to have an idea of the type of injuries  
4 and treatment that were required initially, correct?

5 A. Yes.

6 Q. You'd want to be able to see what the status of the  
7 injury and treatment was as of the date you first got  
8 this new file, correct?

9 A. Yes..

10 Q. You'd want to then make sure that there were no  
11 overpayments. You'd go back and see what was being  
12 claimed and what was being paid out, correct?

13 A. I'm not sure that I would go back to square one to  
14 review every payment that was made as to -- I mean I  
15 would like to have a working knowledge as to, you know,  
16 who the person is and, you know, if they fall within  
17 the time frame of the accident and are reasonable and  
18 necessary and to the treatment.

19 Q. Let me give you an example. At AAA while you were  
20 adjusting first-party claims, did you use what is  
21 called a wage loss work sheet?

22 A. Yes.

23 Q. And the wage loss work sheet would have values and  
24 numbers for gross wages that they made for example, and  
25 who the employer was and things like that, correct?

function of handling, of taking and paying what was set-up by the medical management department with the Bearden family.

Q. All right. So just to make sure I understand what you're saying, there was a point in time that you were handling this that Brian's care was stabilized to the point of having his parents provide care for him during the day, during the evening, twenty-four hours a day?

A. He was getting home care and some PT and OT, physical therapy, occupational therapy.

Q. Was it your understanding that the parents were providing both what we call attendant care, looking after him, giving him medications that he needed; is that correct?

A. Yes, the mother and the father were.

Q. They were also providing what's called physical therapy or occupational therapy to him; is that correct?

A. That's what he claimed he was doing.

Q. And doctors that were treating physicians for Brian showed the parents how to do those or provide those services?

A. I don't know how they were educated.

Q. If you wanted to know you could have sent a letter off to the treating physician to ask what have the parents been shown as it relates to occupational therapy,

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physical therapy?

A. I could have.

Q. Or any type of therapy, correct?

A. I could have.

Q. Now you understand that when physical therapy and occupational therapy is being provided to an insured, AAA is obligated to pay for that service?

A. Yes.

Q. And if attendant care is being provided, AAA is obligated to pay for that service?

A. Yes.

Q. If medical care is being provided in the home, AAA is obligated to pay for that service, correct?

A. Yes.

Q. Is it your understanding that AAA is obligated to pay for all of those that we've discussed at different rates depending on what is being provided?

A. Yes, that would be, it could change as time goes on.

Q. In other words, someone who is being provided just attendant care, watching over them, making sure they don't get injured, may get paid at a lower rate than someone who is providing attendant care plus providing medical, prescribing drugs, making sure they're being taken, et cetera?

A. Yes.

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Q. And then if they're providing attendant care, dispensing medicines on schedule and checking devices, appliances, things that may be, that would be an additional amount that AAA may have to pay, correct?

MS. KILIK: I just want to put an objection on the record again to the form of the question. I think there's issue as to what aides can, should and are compensated for doing and what you're saying may fall under what an aide does, being you are not being specific.

MR. MCKENNA: Fair enough. I'm trying to avoid being specific, so I don't have your objections.

BY MR. MCKENNA:

Q. Do you understand what I'm asking, sir?

A. I understand.

Q. As the level of care goes up, generally the level of compensation goes up?

A. Yes.

Q. And I'm not trying to ask you specifics because I don't want to get into it and be wrong one way or the other. I might be off on one way and you might be off. But in general the more care that's being provided, the higher the compensation for providing it?

MS. KILIK: I'm going to object

again to the form of the question. I think maybe you can just say the level of care as opposed to more care.

You're making it quantitative rather than qualitative.

MR. MCKENNA: I'll make it real clear.

BY MR. MCKENNA:

Q. There's twenty-four hour care that we've already agreed to and talked about with Brian Bearden. The level of care that's being provided to him will determine what the compensation rate is, correct?

A. Within reason. I think that's fair as to, you know, whether it's care being given as far as attendant care, whether it's skilled care, yes. Skilled care is going to be demanding more money than just normal attendant care will be.

Q. And I'm trying to avoid labels to it. I guess what I'm trying to do is ask you on an incremental basis, not the quantity of care but the level of the care that's being provided.

The greater the level of care, you're not just watching the parent anymore, you're now dispensing medicines, that is going to in general require a larger or greater compensation rate than just watching you, correct?

A. Generally.

53

Q. And as you add to the level of care being provided, generally the compensation rate for that level of care goes up, correct?

A. Most of the time, yes.

Q. Now, if you have an insured who is getting paid, who is making a claim for attendant care and they're being provided attendant care on a twenty-four hour basis, you would have to pay on the twenty-four hour basis depending on the level of care provided, correct?

A. Generally, yes.

Q. And if, for example, you have a private nursing facility that's doing the work, you would pay them based upon the hours that they submit, and you would check to see level of care and approve or disapprove of the request for payment, correct?

A. Right.

Q. If it's a private care facility it has a nurse at the home and the nurse is there for twelve hours, you would be paying for overtime, wouldn't you?

A. I'm not familiar with overtime in the respect that whether they could -- the facility could bring in another nurse to work the next eight hour shift or whatever it would be and pay the first one eight hours and the next one eight hours, or if the next one works

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1 twelve, whether or not they were entitled to overtime  
2 or what. I know that -- I guess it would depend on the  
3 facility and the availability of nurses to come in and  
4 do the job that was being done after the eight hours.

5 Q. Are you familiar with case law in Michigan that deals  
6 with attendant care being provided by family members?

7 A. Somewhat, yes.

8 Q. All right. Are you familiar that an insurance company,  
9 such as AAA according to Michigan Case Law are to pay  
10 family members the same customary rate that would be  
11 charged by non-family members for the same service?

12 A. Yes.

13 MS. KULIK: I'm going to object to  
14 the form of the question. I'm not sure you're  
15 correctly stating case law. I think family members are  
16 entitled to be paid as are outside providers. I think  
17 that's clear and I think that's what the case law says.  
18 Just because it's a family member doesn't mean they're  
19 not owed.

20 MR. MCENNA: Let me try it a  
21 different way, maybe we can see if we can clear it up.

22 BY MR. MCENNA:

23 Q. Are you familiar with the term customary market rates?

24 A. Yes.

25 Q. All right. Are you familiar with the fact that

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Michigan Case Law requires an insurance company to pay  
- customary market rates?

55

A. Yes.

Q. So if the customary market rate for attendant care was  
to pay time and a half for time over eight hours, AAA  
would be obligated to pay the customary market rate  
time and a half, correct?

A. I never got involved in that, I don't know.

Q. I'm not asking whether you did or you didn't. I'm  
saying to you, sir, if the customary market rate is to  
pay time and a half over eight hours, and AAA has to  
pay the customary market rate, AAA would have to pay  
the time and a half, wouldn't they?

A. Yes, sounds like it.

MS. KULIK: I'm going to have to  
again object to the form of the question.

AAA has to pay what is reasonable,  
necessary and incurred, whether or not whatever your  
definition of market rate.

MR. MCENNA: I haven't given one.

MR. MCENNA:

I'm not trying to put words in your mouth. Is that the  
answer you gave? I want to make sure she has it on the  
record.

I believe I said yes.

1 Q. But did you also say it sounds reasonable?

56

2 A. I don't recall if that was adjusted in.

3 Q. Does it sound reasonable to you what I asked you then,  
4 sir, or I'll ask it again?

5 A. Rephrase the question again or give me the question  
6 again.

7 Q. We've established that customary market rates is what  
8 you would pay, correct?

9 A. Yes.

10 Q. And if customary market rates included paying for  
11 overtime, time and a half over eight hours, AAA would  
12 have to pay the time and a half as a customary market  
13 rate, correct?

14 A. Yes.

15 Q. And does that sound reasonable to you?

16 A. Yes.

17 Q. Okay. Now, if the customary market rate is to pay that  
18 and a family member is providing it, then AAA should be  
19 paying that rate to family members providing the same  
20 level of service, correct?

21 A. Yes.

22 Q. And holiday time, do you know what holiday time is?

23 A. Yes.

24 Q. Are you familiar with -- well, strike that. Let me ask  
25 you this way.



on your education and training with AAA. Is that a correct statement?

A. That's correct, but --

Q. Going into the analysis as to pay or not pay, involves determining whether it's reasonable, necessary and related, correct?

A. Yes.

Q. And under the No-Fault Act, and you're familiar with it, if there is a claim for benefits arising out of the use, operation or maintenance of a motor vehicle, AAA has to pay those claims as long as they are reasonable, necessary and related to the automobile accident, correct?

A. That's correct.

Q. So once you have determined that someone such as Brian Bearden has been injured in an automobile accident, and there's a claim that's being made, the only thing left to determine is whether it's related to the accident, correct?

A. Yes.

Q. Necessary because of the accident, correct?

A. Yes.

Q. And reasonable, correct?

A. Yes.

Q. And you as the adjuster are the one that makes that

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decision?

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MS. FULMER: Again, I'm going to object to the form of that question. Reasonableness and the law are not necessarily the same thing. And an adjuster may feel something is reasonable, but if it's not a covered benefit the way the law has been interpreted.

MR. MCKENNA: Karen, when you say I'm going to object the same way, you can stop right there and it's protected.

BY MR. MCKENNA:

Q. All right.

A. Let me add to your question the last one.

As to making these decisions, keep in mind that the serious type injuries, the catastrophic injuries, the paraplegic, quadriplegic, the head injuries, bad burns and so on were never handled by me. In other words, as to determining the amount of care and the level, not necessarily the amount of care and the home care and the attendant care and all that was generally always handled by another department. I didn't get involved as to --

Q. I understood that.

A. -- those kind of things.

Q. I understood that from what you said before.

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But you did get involved in this

particular case for a time period in dealing with the benefit of attendant care, correct?

I did get involved in it only that I was given something to continue paying that was already agreed upon and set-up. I didn't change anything and I didn't adjust anything. I paid what was submitted to me, which I was told that was going to be submitted and to continue paying as we had done in the past by the adjuster who was in the medical management department who reassigned it back to the branch.

Who was the adjuster that told you to pay a certain rate when you got the file from medical management, who was that person?

It wasn't -- the file was -- I think if memory serves me correctly, the adjuster that sent it back to me to handle at the branch level for medical management was Debbie Newcom. And I was told that Mr. Bearden will be submitting, you know, his time and the nursing care will be there and you'll probably be getting some prescription.

There was no formal care that was going to be given. So I just started paying when they had been paying and it continued on until I left.

So you never made an inquiry into the reasonableness of

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what you were paying for attendant care?

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A. No.

Q. You just paid what you were told to?

A. Yes.

Q. Is that correct?

A. Yes.

Q. Who was looking out for Mr. Bearden in that process to make sure that he was not being undercompensated?

A. My limited conversations with Mr. Bearden and with the medical management department were such that Mr. Bearden knew as much about the product as we know. In other words he knew what he was entitled to and submit. It wasn't like generally speaking a person needs to be spoon fed and walked through. He did the sparring. He was very educated as to the claim, my knowledge of it with him.

Q. That wasn't my question. My question was who was looking out for Mr. Bearden, Senior, and young Mr. Bearden to make sure that they were not undercompensated if all you were doing was rubber stamping the claim?

A. Mr. Bearden was looking out for Mr. Bearden.

Q. And you've already told me that it's the policy of AAA, and it was the policy that you followed through the time that you worked there for you to look at the claim

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insured's best interest to make sure they were not undercompensated or overcompensated, correct?

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A. When you made your evaluation of who you were dealing with and their knowledge of what was understood and what wasn't understood, some people need a whole lot of hand walking through the claim. Other people know all the steps and you don't have to hold their hand to walk them through.

So as a result in my experience,

Mr. Bearden he didn't need anybody to look after his interest because he knew everything about his interest. And he also had an attorney that he had been discussing with, than I was assuming that he was giving him direction as to what he should be doing.

Q. You're talking about who, who is the attorney?

A. I don't know, he told me my attorney, whoever his attorney was.

Q. Did you document that in the file?

A. I wasn't on any retention from him. I didn't have any letter in the file from any attorney, but just in conversations with him where if he would call me, I recall where he had mentioned his attorney, and as to who he was and all that I don't recall.

Q. Did you document in your file that he had mentioned to you his attorney?

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Q. Now, sir, are you familiar with the mental status of Brian Bearden?

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A. No.

Q. Were you aware that he was brain damaged?

A. Yes.

Q. Did you know at what level of cognition he was functioning at?

A. No.

Q. Was it your understanding that he would need a guardian or conservator for the rest of his life at the last time you were handling his file?

A. Yes. I didn't think that he could make decisions on his own.

Q. Are you familiar with Michigan law as it relates to claims being made against insurance companies for first-party benefits and the Statute of Limitations?

A. Am I familiar with the Statute of Limitations?

Q. And first-party claims?

A. First-party claims?

A. Yes.

A. I believe so, yes.

Q. Okay. Is it your understanding that the No-Fault Act has what's called a one-year back rule?

A. Right.

Q. Are you familiar that the one-year back rule does not

1 A. Probably not.

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2 Q. You're supposed to document the mention of an attorney on a first-party case, aren't you?

3 A. If there's -- if we're put on notice.

4 Q. Right. When you find out that there is an attorney --

5 A. Yes.

6 Q. -- and there's an attorney mentioned by an insured --

7 A. Yes.

8 Q. -- are you supposed to make sure that the file is documented to reflect the status of whether or not there is an attorney notice or lien position on that file, correct?

9 A. Right.

10 Q. Did you do that in this case when you had these conversations -- let me finish my question.

11 Did you do that on this case when you had this discussion with Mr. Bearden and you recall an attorney being mentioned?

12 A. He never told me that anybody was retained.

13 Q. That's not what I asked.

14 Did you document the file and request that there be retention and/or lien waivers placed in that file once you heard that he had talked to an attorney?

15 A. No.

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1 apply to certain classes of people?

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2 A. Right.

3 Q. And Brian Bearden would be one of the people that fit that class?

4 A. Right.

5 Q. And as a result when Brian would find out whether it through me, Mr. Garvey or someone else that there were benefits that he was entitled to that were never paid, he can make the claim at any point, correct?

6 A. Right.

7 Q. And when if Mr. Bearden were to have found out through his attorneys at some subsequent date that Brian was not paid for room and board, those claims could be made today, correct?

8 A. I'm not familiar with the room and board as to how it applies.

9 Q. I'm going to go through the litany of if it applied to this case, he could make the claim, it wouldn't be barred. Is that a fair statement?

10 A. Yes.

11 Q. Wage loss, correct?

12 A. Right.

13 Q. Any of the first-party benefits?

14 A. Wage loss for who?

15 Q. For Brian?

Without seeing it I don't know that. I don't know that  
101  
from.

Q. I have a note dated 2-1-01. And at the end it talks  
about request from reinsurer regarding current medical  
report, but at the end it has "C. Redpath/MMJ."

Is that the name of somebody that  
works in the medical management unit?

A. Again I left the company, but the name is somebody in  
medical management that I think that does an update on,  
oh, some type of --

MS. KULIK: I can clarify for the  
record. Cindy Redpath at the time I believe it was  
part of MMJ is part of the unit that does the reporting  
to MICA and claims reinsurers.

There is a part of the file, and  
I'm not sure if you got a copy of it, if you didn't I  
can produce it, the claims reinsurance file as opposed  
to what is contained in that file.

MR. MCKENNA: Yes. I don't have  
that and I don't have that home care survey.

MS. KULIK: I don't know that that  
form exists anywhere. It's my understanding that that  
was a one-time survey as to what was being paid and  
whether or not it was put in the file or forwarded to  
the people doing the study, it's not part of the file.

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produce it?

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MS. KULIK: I don't know. I don't  
know if it still exists. It was not part of this file,  
but we can certainly see if it exists.

MR. MCKENNA:

"Sir, were you paying checks out on claims in 2000 when  
you left for attendant care?

Yes.

You would have an idea then of what the reasonable rate  
was for the type of attendant care that was being  
provided by the Bearden family, wouldn't you?

No, I was just paying what was set down by medical  
management and what he had submitted to me.

What were you paying Mr. Bearden in 2000?

For what?

For attendant care?

I think attendant care I was paying \$6.00 an hour and  
PT and OT I think I was paying \$10.00 an hour.

And as far as that being reasonable or undercharged or  
underpaid rather, you made no assumption one way or  
another, you just rubber stamped what medical  
management did, correct?

Basically, yes, under the fact that that was my  
interpretation that was an agreement made with  
Mr. Bearden, and he never asked for anything and never

I didn't see it in the file.

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MR. MCKENNA: The study itself?

MS. KULIK: It was -- we can  
discuss it. It's a discovery issue.

MR. MCKENNA: Yes, because we've  
asked for the documents and I don't have them.

MS. KULIK: Right, that was someone  
asking for what was being paid on files as opposed to  
just this particular file. --

MR. MCKENNA: But you gave us part  
of that already, that's also part of that.

MS. KULIK: No, that's not part of  
it.

MR. MCKENNA: Sure. There's the  
part where there was the study.

MS. KULIK: The study was done by  
Plante and Moran, that was a home care survey. This  
was an internal finding out what was being paid on the  
files just as opposed to the external file.

MR. MCKENNA: If I get the  
external, I don't know why I can get the internal if  
there's no litigation pending on that.

I want to see the home health care  
form that was filled out, I don't have it.

Is there any reason why you can't

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questioned it.

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Q. That was an assumption that you made, correct? Is that  
what you said?

A. I didn't assume he didn't ask for anything. He never  
did ask for anything.

Q. So if an insured doesn't ask and is being underpaid, do  
you have any obligation to inform them that they're  
underpaid?

A. Yes.

Q. So him not asking is irrelevant for now?

A. Correct.

Q. Because AAA has an obligation to pay him the value,  
true value of his service?

A. Yes.

Q. And if I were to say to you today that \$6.00 an hour  
was all that was paid from approximately 1986 to the  
present, do you have an opinion as an adjuster with AAA  
as to whether or not that was reasonable for the level  
of care that was being provided to Brian Bearden?

A. I believe that there was some litigation involved in  
this matter.

Q. I just asked you whether you believed it to be  
reasonable or not, sir, \$6.00 from 1986 for attendant  
care?

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2. You would say no way, that's unreasonable, wouldn't you?

A. Yes.

Q. So if they don't even know what the value of the claim is or they, you know, for example -- let me give you this example.

Have you had cases where there were twenty-four hour attendant care claims?

A. Yes.

Q. And you can tell a twenty-four hour claim after how many years of experience, twenty-five, twenty-six years?

A. Yes.

Q. You can tell for example -- you're familiar with this case, aren't you?

A. Yes.

Q. Did you go back and look at the medical history for Brian?

A. Basically, no.

Q. Were you aware that he was in a coma for six weeks?

A. No.

Q. Were you aware that he was hospitalized for an extensive period of time after the coma?

A. No.

Q. In a nursing facility?

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A. Well, that, you know, basically he had -- how can I explain it. It would be to the point to where basically all we're doing is paying the medical bills on it and keeping an eye on his progress or if he got any better or any worse.

Q. Aren't you paying attendant care?

A. Yes.

Q. Well, in order to understand the attendant care, don't you need to know how many hours he needs, even if it's a maintenance file?

A. Yes.

Q. So if the dad is turning in -- let's go back and say it's not a maintenance file. Let's say you started on this file just as a hypothetical earlier on, and you know he needs twenty-four hour care, but the dad doesn't turn in for twenty-four hour care, is it the adjuster's responsibility based on AAA policy and procedure to tell the insured, that you know you're entitled to twenty-four hour care, we know you're giving twenty-four hour care, we're going to pay you for twenty-four hours?

A. Well, what we would do, yes, find out exactly if the person needs twenty-four hour and he's only charging X amount, we would find out why and then we would confirm

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1. A. I knew he was in a nursing facility.

2. Q. Seizure medication, seizures?

3. A. Yes, I knew that.

4. Q. Surgeries?

5. A. I don't know what surgeries he had, no.

6. Q. Were you aware that the file documented to you when you got it that he needed twenty-four hour attendant care?

7. A. Yes.

8. Q. Were you aware that he needed that since the time of the accident?

9. A. I'll have to say yes.

10. Q. Now, if you know that he needed twenty-four hour care from the time of the accident, and you know that he had certain extensive types of injuries, you would be able to tell say the father if he was turning in a claim for four hours of care, but he was wanting him for twenty-four, you would recognize that, wouldn't you, and say to him, no, sir, we're going to pay you for twenty-four hours because that's what the reasonable and customary market charge would be?

11. A. Are you talking about this particular case?

12. Q. This particular case?

13. A. This particular case when I got it it was basically what we would consider a maintenance file.

14. Q. What's that mean?

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1. Q. In this particular case I've asked you the question, you've reviewed the file. There's no dispute in the file that Brian needed twenty-four hour care from day one?

2. A. Correct.

3. Q. So if his dad is not turning in for twenty-four hours and you already know that he's entitled to care for twenty-four hours, wouldn't you tell him that?

4. A. Yes.

5. Q. And then you would pay him for the twenty-four hours?

6. A. Yes, if he was giving him twenty-four hour care, yes.

7. Q. So it wouldn't be fair to short the Beardsens through their own ignorance or through whatever reason, if they're entitled to twenty-four, you should pay them for twenty-four?

8. A. That's correct.

9. Q. And even if they didn't submit it for twenty-four hours, you should be as the adjuster looking out for their best interest, shouldn't you?

10. A. Yes.

11. Q. And saying, Mr. Beardsen, you know you keep turning it in for sixteen, twelve, eighteen, I'm going to make this check again for twenty-four hours, your son's entitled to twenty-four hours, we don't dispute that.

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- A. Well, again you would have to find out why he's not.  
You talk it over with him.
- Q. Doesn't matter why, does it. You owe him a reasonable amount for twenty-four hour care if he needs twenty-four hour care, don't you?
- A. Yes. But whether or not he wants to accept, I've had people not want to accept it.
- Q. That's fine. But you owe it to them to explain to them they're entitled to twenty-four hours?
- A. That's correct.
- Q. You should make the check to them and have them at least reject that, shouldn't you?

MS. KULIK: I'm going to object to the form of the question. I think you're getting argumentative. All that matters is what's owed under the policy and under the No-Fault Act now.

MR. MCENNA: I take exception to the comment that I'm argumentative. I don't think I've been anything near argumentative with any witness today.

MS. KULIK: I think the question's argumentative. I didn't say you were.

BY MR. MCENNA:

- Q. Do you remember the question?
- A. No, could you repeat it, please.

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- A. No.
- Q. Has anyone ever told you that if an insured like Brian didn't have family and/or friends to care for him, that AAA would in the case of someone like Brian be obligated to pay for adult foster care?
- A. No.
- Q. If Brian didn't have his parents and he had no one else to go to and he was placed in adult foster care, who would have to pay for that?
- A. I don't know at this time.
- Q. If I were to make a claim tomorrow?
- A. If he needed continuous care, yes, we would pay for that.
- Q. Doesn't he need continuous care?
- A. Brian Bearden, yes.
- Q. I thought we already established that. I don't want to go back over the same ground again.

But if his mom and dad weren't there right now to take care of him and he had to be placed into an adult care facility, AAA would have to pay for that, wouldn't they?

- A. Yes, we would pay for that under attendant care.
- Q. Right. And you would pay the reasonable charge for that, wouldn't you?

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- Q. Sure, I'll try my best.
- My question is, when you have an insured who is making a claim or a caregiver that's making a claim for less than you know that they're entitled to, you have an obligation to inform them of that, don't you?
- A. Yes.
- Q. Just like when they make a claim that's asking for more than they're entitled to --
- A. That's correct.
- Q. -- you have an obligation to inform them of that, right?
- A. Yes.
- Q. And you know what room and board claims are, don't you?
- A. No.
- Q. Have you ever paid a room and board claim?
- A. No.
- Q. Has AAA ever given you, I forget what you call them, a bulletin, procedure bulletin on room and board?
- A. Not that I know of, no.
- Q. Are you aware of the Menley decision?
- A. No.
- Q. Versus was it DAAA, one of the AAA companies?
- A. No.
- Q. How about Reed Court of Appeals case?

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- Q. And in that change would be included a charge for him staying there?
- A. Yes. It would be like a residential fee for him.
- Q. AAA would have to pay for his room and board there, wouldn't they?
- A. Yes.
- Q. Okay. So if AAA has to pay the reasonable market rates for attendant care, don't they?
- A. Yes.
- Q. The market charges for it, correct?
- A. Yes.
- Q. And AAA has to pay family members those market rates?
- A. Yes, but usually your facilities have to charge a little more because of the administrative and overhead fees.
- Q. You've read Karen's memo?
- A. No. That's been like that for a long time.
- Q. Administrative and overhead fees such as scheduling people, correct?
- A. Yes.
- Q. Making arrangements to drive somebody to and from somewhere?
- A. No. What I mean by that, a facility that's running a business has their administrative fee, their rent for

